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Chair: Lisa Hepfner

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● (1630)

[*English*]

The Chair (Lisa Hepfner (Hamilton Mountain, Lib.)): I am calling this meeting to order.

Welcome to meeting number six of the House of Commons Standing Committee on Canadian Heritage. Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders.

Members are attending in person. Do we have anybody on Zoom today? No, we do not.

Please wait until I recognize you by name before speaking, and all comments should be addressed through the chair.

Pursuant to Standing Order 108(2), the committee is meeting to study the effects of the technological advances in AI on the creative industries.

It is now my pleasure to welcome our witnesses. From ArtIA, we have Marc-Olivier Ducharme, director of innovation, alliances and futures at Sporobole. From OCAD University, we have Kelly Wilhelm, head of the cultural policy hub. We have Patrick Rogers, chief executive officer at Music Canada. We have Margaret McGuffin, chief executive officer of Music Publishers Canada. From the Society of Composers, Authors and Music Publishers of Canada, otherwise known as SOCAN, we have Jennifer Brown, chief executive officer.

Welcome.

Each organization will have five minutes to speak.

[*Translation*]

We'll start with Marc-Olivier Ducharme.

Marc-Olivier Ducharme (Director, Innovation, Alliances and Futurs, Sporobole, ArtIA): Madam Chair, members of the committee, thank you for the invitation.

I represent ArtIA, a group of cultural organizations, research centres and artists. Our goal is to understand the impact of artificial intelligence on the arts through action research. We have just released a report after more than two years of work, and an upcoming report will be tabled soon.

Silicon Valley's technology development model has been failing for decades. In the 1980s, it was already known that this model only served shareholders, not human beings. Today, artificial intelligence amplifies this problem. Artificial intelligence giants are fund-ed to the tune of hundreds of billions of dollars. This difference in scale creates dominant positions that are hard to counterbalance.

Numerous studies and surveys, even some conducted by this committee, have shown negative effects of certain social platforms on the population, particularly on adolescents and marginalized people. Risks of political bias in referral systems have also been demonstrated. These same risks and biases are maintained in the different platforms of generative artificial intelligence, since their training bodies draw directly on the data produced in those networks.

We don't have a technology problem per se; we have a digital feudalism problem. Silicon Valley aspires to our dollars, data and talent.

Our conclusions are clear: This model optimizes shareholder profitability first, not the public interest. Without safeguards, ethics and cultural specificities become externalities, leading to cultural standardization. The social costs are borne by the communities, as well as by governments, which leads to cultural uniformity, especially among linguistic and cultural minorities. Without cultural sovereignty, there can be no economic sovereignty, since nothing would distinguish us as a society.

Silicon Valley controls all our production tools. Are we also letting them take control of artificial intelligence? That's the question we're asking.

Artificial intelligence is the next frontier of technological colonization. Here is what our findings reveal.

First, we see the exploitation of creators by dominant artificial intelligence models that are driven by data stolen from creators, which marginalizes francophone communities, aboriginal communities and other cultural minority communities, such as Acadians. This is unacceptable.

Second, there is the threat to cultural diversity. Because toxic algorithms homogenize cultures, our different languages are threatened.

Third, given the pace of development, accelerated exit cycles impose technical and cultural standards before public deliberation. Without adaptation laboratories, linguistic minorities, once again, don't have the time to adapt their tools, interfaces and data sets.

Fourth, we're experiencing a Napster 2.0 moment: Without timely intervention, we risk repeating the music industry's mistake—ceding control of our cultural data and creative tools to foreign platforms.

Fifth, harnessing digital commons—in other words, what we've all created on the Internet—is at the heart of artificial intelligence models owned by digital giants.

The artists we work with don't seem to be afraid of technology. Instead, they're afraid that they won't be able to survive financially in a future dictated by technological giants.

ArtIA proposes government investment in laboratories for experimentation, training and production of artificial intelligence in the field of culture that remain owned by the Canadian cultural sector and are governed as a digital community.

These include laboratories that are experimental spaces where cultural communities design their own artificial intelligence tools, adapted to Canadian French, indigenous languages and other minority languages.

We also propose cultural data trusts, infrastructures that are sovereign and that protect and value our cultural data, whose governance rules and terms of access are decided by the communities and by the artists.

In addition, we favour training programs that enable artists to master artificial intelligence rather than be dependent on it, thereby preserving their creative autonomy and our creative autonomy.

In our view, this is an exportable model. If we succeed, we'll create a culturally responsible AI ecosystem model that can be exported to other social sectors and countries. As a result, Canada is positioning itself as a world leader.

I'd like to point out that Canada has already demonstrated its ability to implement innovative public policies. The 2017 Pan-Canadian Artificial Intelligence Strategy, the world's first national artificial intelligence strategy, has allowed Canada to become a global leader in artificial intelligence. This strategy has created hubs of excellence, such as Mila in Montreal, which has attracted international investment and positioned Canada as a key player in the ethical development of artificial intelligence.

ArtIA is part of that tradition. We want to develop laboratories for our culture by extending this visionary approach to the cultural sector, which will protect our diversity while creating economic opportunities.

● (1635)

Artificial intelligence is already transforming our creative industries. Acting now means choosing to protect our cultural diversity rather than going through homogenization.

The Canadian government invested $2.4 billion in artificial intelligence, but none of those funds went directly to culture, one of the most vulnerable economic sectors to—

The Chair: Thank you, Mr. Ducharme.

[*English*]

Next, from OCAD University, we have Kelly Wilhelm.

You have the floor for five minutes.

Kelly Wilhelm (Head, Cultural Policy Hub, OCAD University): Thank you, Madam Chair.

Thank you, honourable members of the committee, for the invitation to appear today. My name is Kelly Wilhelm. I am head of the cultural policy hub at OCAD University. Prior to that, I spent about 20 years in the federal policy and funding system around arts and culture.

I want to start by breaking down a false dichotomy that we often hear in discussions around the creative industries and AI. That dichotomy is between two sides. On the one hand, there are those who argue that private sector development of AI must be allowed to continue unfettered and unregulated or the country's capacity to innovate will be at risk. On the other side, we often hear those who argue that government regulation and guidelines are essential to preserve the country's culture and identity. You can see the split clearly in the government's 2024 consultations around AI and copyright and also internationally in any policy discussion that addresses the use of copyrighted works in the development of AI systems.

Here's the reframing that I want to propose to this dichotomy. Government action that values and invests in creative and cultural professionals and their IP does contribute to innovation. It does not stifle it. There's no question that AI impacts creative IP, copyright and labour. It has already disrupted the value chains on which the creative industries, their companies and their workers depend. These are critical issues, and collective work on them by industry, researchers and policy-makers must continue.

You've heard already in these meetings that the creative industries are asking for transparency and fairness in how the content to which they own the rights is used in AI systems and in identifying AI-generated content for what it is. They're also asking for a seat at the table where AI policy decisions that affect them are being made. This is a point that I would echo and support. That's because, while AI is affecting the cultural industries, as your question and your study suggests, the effect is not one way. That goes back to my reframing. Like other technologies before it, creative industries are using AI to do what they do best—create, innovate and tell Canada's stories.

In the cultural policy hub's convening with creative industries over the past two years, we've heard that many are using AI and building AI tools that help them to run their businesses—the back end—and in their creative work. They use AI for many purposes, including creation, production, distribution and marketing. They use it to reduce technical, financial and environmental barriers for all sorts of creators, whether those are small and medium-sized enterprises, indigenous creators or even those working in rural and remote communities. They use AI to maximize the value of their IP, to find new markets and to build out fan bases in global markets. They use it to protect the sovereignty of the data they hold, which is cultural data, and to develop new protocols and ownership models. Artists, as we know, work with AI to create the entirely new and unexpected, very often in collaboration with tech companies and product designers in the private sector.

Creative industry leaders are asking how Canada can shape AI in a way that protects and enhances our culture, creativity and sovereignty. Four key themes keep coming up in our conversations with those leaders. I want to share them with you today.

The first is around sovereign and accessible data. Creative industries, like other industries, need access to data, including government datasets, to develop effective, Canadian-made AI tools and solutions. Governments should be investing in Canadian-owned and Canadian-governed public data infrastructure—an AI commons, if you will—alongside its investments in private companies and AI compute.

The second area that keeps coming up is skills training and education. Canada needs a national AI strategy for education from K to 12, post-secondary and in professional sectors like the creative industries. The strategy should prepare Canadians to harness new AI tools and technologies to remain competitive in the evolving job market. This is a concern the creative industries share with other industries.

The third area, which I'm sure you'll hear about again today, is regulation. Most in the cultural sector are calling for simple and clear transparency requirements, harmonized standards and shared principles in order to avoid uncertainty, fragmentation and confusion in this marketplace.

The last point is cultural sovereignty and creative ambition. This moment of economic, technological and geopolitical change is the right time for Canada to be ambitious in this space, not to draw back but to think big and invest in the full diversity of creators and creative SMEs that drive our creative economy in this country. Canada has long recognized the importance of our creative industries to our cultural sovereignty. It's why we have the tools and the successful industries that we do in film, TV, music and others.

● (1640)

AI is fundamentally a homogenizing tool. It is about recording and reproducing existing patterns found in the data that is fed into the machine. It does much of the cognitive work for us, replacing the human work of synthesizing and considering patterns that is essential to creating new ones.

Let's be clear: AI-generated content is not a replacement for original creative IP.

The Chair: Thank you.

Kelly Wilhelm: Right now we need that creative IP as an engine to drive not just our economic sovereignty but our cultural sovereignty as well.

Thank you.

The Chair: Thank you, Ms. Wilhelm.

I will now give the floor to Patrick Rogers from Music Canada.

You have five minutes.

Patrick Rogers (Chief Executive Officer, Music Canada): Thank you.

My name is Patrick Rogers. I am the CEO of Music Canada. Music Canada is the trade association of Canada's major labels—Sony Music Entertainment Canada, Warner Music Canada and Universal Music Canada. Our companies have offices full of Canadians making Canadian music for the Canadian market and the world. They are very excited about what AI could mean for the future of music.

For my members and the artists they invest in, AI as a tool can help human artists elevate their creativity, find efficiencies in the recording process and help our industry protect its IP. However, having faced an existential technological crisis in our lifetime, the music industry has some lessons learned that shape our advocacy to government.

As you know, not that long ago, home Internet created the possibility for peer-to-peer file sharing and Napster and other sites decimated the industry, but it wasn't the Internet that nearly killed the music industry. It was copyright piracy and the public's willingness to become pirates. It was the breakdown of our public understanding that we—I mean all of us—were stealing. I worry about that happening again today, or tomorrow, with AI, but let me first share some examples of AI at its best.

The team at Universal Music Group and Brenda Lee, keeping the original music and background vocals, replaced Brenda Lee's original lead vocals in *Rockin' Around the Christmas Tree* with a newly translated Spanish vocal, created using an ethically trained AI model derived from her voice and fully approved by her. After Randy Travis suffered a devastating stroke in 2013, leading to the loss of his voice, he and Warner Music Nashville used AI to help him record the song *Where That Came From*. Randy and his team worked on vocals and put human touches on every note of the song, which would not have been possible without AI. Universal Music Group's collaboration with ethical AI company Endel is enabling UMG artists and labels to create AI-powered soundscapes to enhance daily activities like sleep, relaxation and focus.

What's the problem? Each of these examples is done in collaboration with the artist involved. It's still their artistry. It's still their talent. Their rights are embedded in the project. That's not how the most popular song-generating services work now. They aren't licensed by artists and rights holders, and they aren't paying for the inputs they are trained on or the outputs that compete with those very artists. We are in the Napster era of AI in the marketplace. We need to get to the iTunes stage so that we can get to streaming. To do that, we need to do a couple of things.

One, uphold copyright law, recognizing that the training of AI models on the music of artists engages their copyright. Done without their permission, it is infringement—full stop. Upholding copyright also means that you should not cave to demands for sweeping "text and data mining" exceptions. Everything you need to know about this is in its name. It's not called the "hopelessly searching for human enlightenment" exception. They call it mining. What do we mine for? Valuable things. Where do we mine? Where we know there are valuable things. No data is more valuable than the catalogue of our favourite musicians. As much as some generative AI companies will tell you that they are teaching the machines everything, they don't want to train their algorithms on your brother's college band. They want *Sgt. Pepper's* and *Pet Sounds* and *Folklore*.

Two, we want to make AI companies keep records of their inputs. We want AI companies to track and disclose to rights holders what they train their models on. The proponents that say AI should be able to steal everything will claim that it isn't possible, but if we're going to unlock human consciousness with AI, shouldn't it be able to write a bibliography?

Three, we want the federal government to get serious about deepfakes, not just the worst kinds—the sexually explicit ones or the ones that interfere in our elections—but all of the harmful ones. They put all Canadians, including our kids, at risk. What started as Connor McDavid appearing to smack talk his opponents and teammates two years ago has turned into babies interviewing their dogs, which I know aren't real but I can't tell you why. These videos make us laugh, but the technology could easily be used to make us cry. What if someone used it to ruin your career? What if someone used it to ruin my five-year-old's budding social life? What's illegal on paper should be illegal online. Putting your words in my mouth is not free speech.

Fortunately, AI will also be part of the solution. It's why our industry is working with tech to combat this problem. Sony Music's work with Vermillio's TraceID tool helps protect artists in real time against digital replicas, but we need governments to make it clear that unauthorized and harmful deepfakes are illegal. There are models for Canada to look at, such as the U.S. NO FAKES Act, which has bipartisan support and is backed by both the music industry and platforms like YouTube.

● (1645)

These three recommendations will lead to Canada being at the forefront of AI innovation while still protecting the Canadian cultural sector.

Thank you.

The Chair: Thank you, Mr. Rogers, and well done taking my cue.

Next, we go to Jennifer Brown from SOCAN.

It's over to you for five minutes.

Jennifer Brown (Chief Executive Officer, Society of Composers, Authors and Music Publishers of Canada): Thank you very much.

As CEO of SOCAN, I am pleased to appear before this committee to speak to the effects of artificial intelligence on the music industry.

In 2025, SOCAN is celebrating 100 years as Canada's copyright collective for songwriters, composers and music publishers. We are proud to represent the rights of more than 200,000 direct members from coast to coast to coast. SOCAN collects licence fees for the public performance and reproduction of music, matches those uses to rights holders and then distributes the royalties to our direct members and rights holders from across the world.

We are only starting to uncover the full potential and implications of AI in the creative sphere and to understand what role it will play in shaping the future of the cultural landscape in Canada. AI presents a turning point for the music industry. We believe that with proper safeguards and an appropriate copyright framework, this technology provides tremendous opportunities to support and enhance human creativity as a tool that allows Canadian creators to continue to tell their stories, reflect on who they are and contribute to Canada's identity and values.

However, without the appropriate balance in place, the current state of AI presents a challenge for our members. Canadian works are being stolen and scraped by AI companies to train their models, without any compensation to creators. These AI models can then output a complete song in response to a single prompt, with that AI-generated song potentially replacing the work of Canadian creators.

A global study conducted by CISAC, which is one of the world's largest networks in the creator sector, estimates that under the current market conditions of wholesale theft, up to 24% of music creators' revenues are at risk of disappearing. This presents a real threat to the sustainability of the Canadian music industry.

Meanwhile, the companies behind these AI models have publicly stated the importance of using high-quality, human-created music to develop their products, going so far as to say it is essential. What is not essential, apparently, is making sure that creators are paid for their important contributions. Instead, human creators are currently fuelling advances in AI models without sharing in the benefits.

We believe a successful AI approach will value and compensate human authorship, respect the policy objectives of the Copyright Act and lead to a vibrant licensing market where the benefits of AI are shared with those who are vital to its development.

Looking back at the online streaming we've gone through in the last 10 years or more, similar arguments were made about compensation and licensing being impossible, but a mature licensing regime has formed and creators and streaming services both have benefited in the past decade. Respect for copyright does not stifle innovation. If you stream music on your smart phone, you have proof in your pocket that compensation for creators and technical innovation can successfully coexist. The adoption of AI can also be done in a way that respects creators and incentivizes human expression.

We have two positions that we would like to put forward to the committee.

First, we strongly oppose new copyright exception. AI companies should not be permitted to exploit creators' works without obtaining consent and providing credit and compensation. A TDM exception would not facilitate growth in either the creative sector or the technology sector. While there is no evidence to suggest that a TDM exception is necessary to maximize investment in the AI sphere, it would certainly deprive creators of the economic benefits of their works.

Second, we urge you to ensure AI companies are transparent about the works they use to develop their models and that AI-generated outputs are clearly labelled. AI developers must be required to disclose which copyright-protected works are ingested and stored in their datasets. Without such transparency, rights holders are unable to negotiate on a level playing field and cannot prove when their works are used. Further, mandatory labelling of AI outputs would mean that the public can then make informed choices about the type of content they consume.

Thank you very much for your time.

● (1650)

The Chair: Thank you.

Finally, from Music Publishers Canada, we have Margaret McGuffin.

You have the floor for five minutes.

Margaret McGuffin (Chief Executive Officer, Music Publishers Canada): Thank you.

Good afternoon, Madam Chair and members of the committee.

My name is Margaret McGuffin and I am CEO of Music Publishers Canada. I am here to advocate for the ethical and transparent development of AI.

Music publishers discover and develop Canadian songwriters and have made significant investments in the vast majority of songs and scores that are heard every day on radio, on streaming services, in video games, in film and television productions and on new emergent platforms around the world.

In the music space, AI has the potential to support the valuable work of human creators, which in turn enriches Canadian culture and society. Our members are already leveraging the benefits of this new technology. Songwriters are using it in the studio, and our members are using it to scale their operations.

Unfortunately, the music industry has also seen mass theft of copyrighted-protected songs by AI companies, both on the input side for the purpose of training AI models, and on the output side, with the development and publication of unlicensed generative AI models. This poses serious risks for Canadian creators and the companies that invest in them.

Strong copyright ensures that MPC's members, songwriters and composers maintain control over their music and receive the fair compensation they deserve.

When an AI company uses music that has been scraped or captured from the Internet without authorization, it prevents rights holders from controlling and realizing value for the use of their works. The development and commercialization of unlicensed AI model inputs and generative AI outputs are already creating serious market distortions and raising concerns about fair competition.

MPC works with the International Confederation of Music Publishers. A recent Billboard magazine story highlights evidence collected by ICMP over the past three years showing that many of the world's biggest tech companies have scraped copyright-protected music created by millions of songwriters, composers and artists to train generative AI systems, without permission or licensing.

To put this in perspective, nearly every song ever written by a Canadian songwriter has already been scraped and is already stolen by these AI companies without consent, credit or compensation. Imagine that someone accessed your paycheques without your permission and that behaviour was normalized. That's what's happening to songwriters.

This extensive non-compliance with copyright laws in turn leads to serious negative economic impacts. Copyrighted works—our songs—add value to AI models. To derive fair value for the use of this copyrighted material, the music publishing industry, which includes SOCAN and CMRRA, routinely grants licences to technology companies. AI developers should be no different. The emerging market for licensing music to AI developers should be encouraged, including requiring them to disclose and maintain records of all their data.

In conclusion, MPC believes the Canadian government must reject any calls for watering down the copyright system with a text and data mining exception. We've already heard about that today. Music rights holders must be able to control and realize value for the use of their songs. It is imperative that Canadian regulators and the U.S. government approach generative AI in a manner that respects creators and incentivizes human expression. This will be beneficial for creators and for Canadians as a whole.

I look forward to answering any of your questions.

● (1655)

The Chair: Thank you very much, Ms. McGuffin.

We'll now turn to questions from members, starting with Mrs. Thomas.

For six minutes, you have the floor.

Rachael Thomas (Lethbridge, CPC): Thank you very much.

Mr. Ducharme, I'm just curious. Does your organization work with digital-first creators at all?

Marc-Olivier Ducharme: It's with all kinds of creators, so it's all the forms of art, from dance to visual arts. We also work with musicians, with sound artists and with theatre companies. It's really with all ways of life and types of art.

Rachael Thomas: Okay. Cool.

If digital-first creators are working with you, are there helpful ways in which they're using AI in order to overcome the traditional barriers of broadcasting?

Marc-Olivier Ducharme: Yes. Most of the artists who work with us actually use AI on a daily basis, whether it's integrated in their tools, like Adobe Photoshop, which has already integrated AI into their products, or the camera on their phone, which already integrates AI into the process of taking a picture. They use AI. Whether they want it or not, they do.

We all use AI right now. It's not that.... It's very helpful. Also, a lot of artists want to do research and development around AI and how it can be used to better their practice.

The problem is really not in the use of AI by artists. The problem is really in the value that is transferred to American companies through the process of value capture.

Rachael Thomas: Sure. I think one of the things you talked about in your opening remarks, and that I read also on your website, was the importance of protecting digital sovereignty. To that end, Bill C-18 is the Online News Act. Are you familiar with it at all?

● (1700)

Marc-Olivier Ducharme: Yes.

Rachael Thomas: Okay.

Bill C-18 was put in place and, through its process, Bill C-18 resulted in Google coming forward and creating a hundred-million dollar fund. There was then a cohort put in charge of that money. News businesses would apply to the fund and then be awarded dollars.

As a result, when they are awarded those dollars, they are also signing over their rights to the information they're producing, which means that Google can then go in, scrape that information and use it however it wishes. Because these news businesses have signed off on Bill C-18 and the Google dollars, they're subject to Google and whatever Google wants to do with their information.

This is the direct result of over-regulation by this government, so my concern is this. We have digital-first creators in this country who are generating fantastic content. We have artists in this country who are doing great work. When the government overreaches, it stagnates and hurts the industry. Where is that line between putting legislation in place that is going to facilitate further success versus hindering it?

Marc-Olivier Ducharme: It's an interesting political point you make, but my fellow members here will be able to answer you on the policy side.

What I think is needed is investment in a public AI, in public infrastructure and an infrastructure that is common, which is led, managed and owned by artists and arts organizations in Canada. It's not necessarily a question of regulating. You're asking me how the government can regulate, which is not my expertise. What I can tell you is that the model needs to be managed in a different way right now.

Rachael Thomas: If it's managed in a different way, but without government regulation, what does that look like?

Marc-Olivier Ducharme: I am not a policy expert. I would not be able to inform you on how the government can really create policy to protect the artists. If we just choose to give the power to American companies, we're not going to win. Basically, it's that.

Rachael Thomas: Absolutely, but again, with Bill C-18, that's exactly what happened with this government legislation. It gave more power to Alphabet, to an American company, Google, to scrape data and use it however it wishes.

Marc-Olivier Ducharme: They are stealing it anyway.

Rachael Thomas: No. This bill, Bill C-18, actually generated the terms that gave Google permission. We're not talking about stealing. Google owns it. That's the agreement.

That's the agreement the government facilitated. My concern is that with digital-first creators and other artists who exist online, the same thing will happen to them if the government gets overzealous and over-regulates AI.

Marc-Olivier Ducharme: Another option would be to finance a public AI.

Rachael Thomas: What do you mean by that?

Marc-Olivier Ducharme: Can we own our own infrastructure? Can we own compute power—

Rachael Thomas: Like a government-created AI system...?

Marc-Olivier Ducharme: Yes—

Rachael Thomas: No, thank you.

Marc-Olivier Ducharme: In Canada, the research infrastructure for AI has compute power. It's called Canada compute, Quebec compute. They are non-profits that administer compute power for research centres. It's available to all researchers.

Why don't we have a public system or a system that is owned in common by artists and arts organizations and that provides that kind of service to the cultural sector?

Rachael Thomas: Because that's too much government.

Marc-Olivier Ducharme: No. It's not the government that owns and operates it. It's the non-profits that own and operate it.

Rachael Thomas: They have that ability right now. They have that opportunity.

Marc-Olivier Ducharme: How come?

Rachael Thomas: It's a free market. This is exactly the point.

Marc-Olivier Ducharme: Not everything is in the free market.

Rachael Thomas: Right now, there is an opportunity. If anyone wants a space online, they have a space online. If anybody wants to come up with an AI model, they have the ability to come up with an AI model right now.

Marc-Olivier Ducharme: Two weeks ago, NVIDIA invested $400 billion in OpenAI. No, it's not a free market.

The Chair: Thank you.

I now give the floor to Mr. Al Soud for six minutes.

[*Translation*]

Fares Al Soud (Mississauga Centre, Lib.): Thank you, Madam Chair.

[*English*]

Thank you all for taking the time to join us today.

I quite literally just met with members from various organizations representing Canada's book sector as part of the day on the Hill. They're actually in this room as we speak. I'll give a quick nod to them and to the great work they do.

We also spoke of Copibec and the work they do. When I met with them earlier this summer, they described us committee members as "guardians" of Canadian culture. I think we'll all agree that it's a very generous way of looking at us members of this committee. Protecting Canadian cultural sovereignty while understanding the inevitability of AI is our priority, though. That is quite literally the role we hold as members of this committee.

● (1705)

[*Translation*]

During our discussion, they clearly stated that the goal was to develop a framework for artificial intelligence and Canadian culture to be partners.

I now turn to the head of ArtIA, whose mission statement is to develop the infrastructure, tools and skills for Canada's cultural sector to become a global leader in responsible artificial intelligence.

You've positioned yourself to ensure that artists have a say in how artificial intelligence shapes creative practices. We often talk about a human-centred approach to artificial intelligence.

In your opinion, Mr. Ducharme, what does true cultural sovereignty look like in this area? What would it take for Canada to be a leader in establishing ethical standards of artificial intelligence for the arts, rather than simply adapting to what's already being done?

Marc-Olivier Ducharme: In our opinion, artificial intelligence in the field of Canadian culture should be managed within a governance framework that would be created and administered by people who work in culture. This framework should be flexible, scalable and adaptable to certain cultural communities, particularly indigenous and minority language communities.

We think there should be networks of laboratories across Canada that would look at artificial intelligence issues and allow creators to go out and experiment. These laboratories would also allow them to make decisions about how they want to protect their own data and works. That's not currently the case.

For years, Facebook and Instagram have encouraged artists to publish their works of art on Instagram. These works were extracted entirely by scraping data for use to drive models. So there were lies and theft. Silicon Valley has been doing that for a very long time, as I said in my opening remarks.

So we believe that governance is really at the root of all this. In order to develop governance frameworks, you have to bring people together. We must ensure that there are places where human beings, in this case artists, can come together and make decisions about policies that affect them.

We're not asking the Canadian government to make decisions for artists. We're asking that artists have the autonomy and funding to provide a counterweight to American economic power, which is so vast that it pulls the rug out from under us every time we try to take a step. That's our biggest problem.

Basically, the ArtIA project was funded through a grant from the Quebec government to help us understand the effects of artificial intelligence. We see that all of a sudden the Americans are investing heavily in this area. They do it with capital from Silicon Valley, but they also do it by polluting heavily, consuming natural resources and destroying cultural resources in communities. For example, we see a lot of indigenous art being created by artificial intelligence, by creators who aren't indigenous. So it's a very dangerous cultural appropriation.

As a francophone, I have no artificial intelligence model that represents me. Current models can mimic my language, but they can't understand my cultural specificity. I'm a Quebecker, so it's not too bad, but an Acadian person has a cultural and linguistic specificity that's very different from that of Quebec. Less data on Acadian culture was collected by harvesting, which makes the biases even stronger.

What about a queer artist or a Jamaican-Canadian artist, for example? What about the people who exist at truly complex intersections of our societies, where models, with their biases, end up acting as real homogenizers of culture?

So our position is to let the artists take over, and to do that we would have to invest in those policies.

Fares Al Soud: Thank you very much, Mr. Ducharme.

[*English*]

Mr. Rogers, it's great to see you again. Thank you for your opening remarks.

Music Canada has been clear about protecting rights in this streaming era. You mentioned this in your opening remarks. Now the AI era may be even more disruptive. How is Music Canada preparing to protect both investment and artistic integrity, without repeating the same inequities that left artists undercompensated in the last digital shift?

Patrick Rogers: Chair, I thank the member for the question.

It's good to see you.

When it comes to AI, the way out of the piracy era was that our members, up against the odds, held out and said that music had value. In a period of time in which music was stolen or given away for free, we said that we believed there would be a time in which people pay for music again.

I believe this to be true. I'd be very excited to put this in Hansard. I've been saying it for a while. I believe that music is the only thing in the world that everyone did for free, and then people started to pay for it. Then people stopped paying for it. Now, they pay for it again. This is a human success story. I think it is one worth protecting.

My greatest regret at the beginning of the AI boom was hearing people say that AI was not a copyright issue and not recognizing it as the massive red flag that it was, but it is the copyright issue of our generation.

That's how we're going about it.

● (1710)

The Chair: That was perfect timing. Thank you very much, Mr. Rogers.

[*Translation*]

Mr. Champoux, you have the floor for six minutes, unless you are sharing part of your time with your colleague.

Martin Champoux (Drummond, BQ): I'm going to take all the time you give me, Madam Chair. Thank you very much.

Thank you to all the witnesses. Frankly, it's always fascinating, interesting, and very informative to hear them talk about the all-important issue of artificial intelligence and its impact on the cultural sector.

We're hearing a lot of concerns from people in all sectors of the cultural community. What's happening is very worrisome. However, I don't want to paint an entirely bleak picture of the situation. I think there are some very interesting things about artificial intelligence. However, I think we need to tell ourselves the real story and realize the risks associated with artificial intelligence for the cultural sector, particularly creators.

Mr. Ducharme, I'm going to start with you. Your arguments in support of an artificial intelligence engine that would be local and owned by people from the cultural industry are really interesting. It's an idea, a model. I'm curious, though. In the past, search engines from Quebec or Canada have tried to emerge, for example broadcasting platforms. Even now, people are trying to set up a digital broadcasting platform. These are great ideas, and we'd like to see them flourish. Unfortunately, these companies are competing so hard with international companies, particularly U.S. companies, that they're not likely to be successful enough to generate what we want them to generate.

In the case of an artificial intelligence engine, I remain hopeful because much of the research that led to the development of artificial intelligence was done in Montreal, Quebec, particularly by Mila, with Mr. Bengio and all his colleagues. I tell myself that there's hope, since we developed this technology here.

Tell me how, in the case of an artificial intelligence engine, it would be different from other attempts we've made in the past to compete with Internet giants.

Marc-Olivier Ducharme: There are several elements to your question.

Our goal isn't to develop an artificial intelligence model or engine, as you call it, but rather to focus on the governance of these tools and the infrastructures that make their creation possible.

What we're finding is that creators aren't necessarily using Chat-GPT, DALL-E, or generative artificial intelligence systems for image production. They use all kinds of artificial intelligence tools. They use them to locate bodies in space as part of a dance show, for example, or to control systems in a performance or in a festival. Artificial intelligence isn't just used for content generation. It can be used for several purposes, such as data management. My colleagues who are here with me have given other examples.

We want to be able to experiment. Artists want to be able to understand how artificial intelligence impacts their work and the creation of their own value, that is, the value they bring to market. As a result, they want to know what the rules are behind that. Silicon Valley's rules are opaque; we don't know them. Not only are they opaque, but they are constantly changing.

I'll give you an example. A few years ago, many artists from here and elsewhere contributed to the development of an application by RunwayML. It was free, it was good. We worked with it and everyone gave each other hugs. It was perfect, it was great. One day, artists received an email telling them that they no longer had access to their work. Everything they'd put on the platform no longer belonged to them. The rules had changed.

AI rules and models are constantly changing. We can never rely on the development of this technology, because it's in its infancy. It started just a few years ago, and yet we're overwhelmed by it. That's the Silicon Valley model: They give us everything for free, and then they pull the rug out from under us.

Martin Champoux: So the difference in this case is that we would retain access to the content we use to feed the animal, if you will, and the rights attached to it.

● (1715)

Marc-Olivier Ducharme: That's right.

Martin Champoux: Thank you, Mr. Ducharme.

I'd like to ask Ms. Brown or Ms. McGuffin a question, based on something my colleague Mr. Généreux said at our meeting on Monday.

Let's say I'm clever with artificial intelligence engines and I ask them to generate a song using Mr. Généreux's melodious voice and drawing on the lyrics from Mr. Myles's repertoire of songs, who had a real artistic career before becoming a politician.

Some hon. members: Oh, oh!

Bernard Généreux (Côte-du-Sud—Rivière-du-Loup—Kataskomiq—Témiscouata, CPC): He's a real artist.

Martin Champoux: Yes, he's a real artist; we are failed artists.

All joking aside, my question is still serious: If I generate this song and, by great luck, it becomes a success, can I consider this work to be mine, under the current regulations, and could I get access to the copyright that this song would generate?

I'm asking this for Mr. Généreux as well, since his voice would be heard all over the world.

[*English*]

Jennifer Brown: That's a very interesting way to look at that.

What is creation? That is kind of at the heart of what we're talking about. Creation is a human endeavour, and it takes skill and judgment.

I'm going to say that there are a lot of creators out there right now, songwriters in particular and probably artists, who use AI. They use it as a tool. However, they are still coming forward and saying, "This is my original work because I put this skill and judgment into the creation of this song."

If you're a digital provider that's just pumping works out of a prompt, no, I don't see that as a musical work. I think that's where we're at.

Margaret McGuffin: I just want to add that music publishers and SOCAN are in the world of licensing. We license very small segments of songs to Instagram and to TikTok. We license interpolations, things that sound like Mr. Myles's songs, but that doesn't allow someone to write a song that sounds like his song. They have to license that. That is the world that we envision going forward. The world of licensing exists. We're in the business of licensing. We know how to do it, and this now needs to extend to the AI companies.

[*Translation*]

The Chair: Thank you.

Your time is up, Mr. Champoux.

Martin Champoux: Thank you for giving me a little latitude, Madam Chair.

The Chair: There's no problem.

Mr. Généreux, do you have any questions, or did Mr. Champoux ask them all for you?

Some hon. members: Oh, oh!

Bernard Généreux: Rest assured, Madam Chair, I'll always have questions.

Mr. Rogers, do you want to respond to that?

[*English*]

Patrick Rogers: Yes. I wanted to tie a bow around that whole conversation.

It's why, at Music Canada, we talk about rules and tools. The tools are very exciting. They have the ability to make us laugh or cry. They have the ability to get us really excited about them. Unfortunately for all of us, we live in the world where we deal with the rules. That is why the licensing piece is so important. That is why the keeping it with copyright is so important.

I think as you go through this study—and this will not be the only time you talk about AI at this committee—you should do your best at each conversation to ask whether it's a conversation about the rules or about the tools.

[*Translation*]

Bernard Généreux: Thank you very much, Mr. Rogers.

Mr. Ducharme, like you, I'm a francophone and I come from Quebec. However, I'd like to ask the other witnesses if they share your point of view. I partly agree with what you're saying. We can't be against virtue, of course. We'd like Canada to be able to preserve its identity and creative autonomy and for artists to be able to earn income from this activity, as is currently the case.

So I'm speaking to all the other witnesses.

In your respective fields, could a model like the one proposed by Mr. Ducharme exist? If so, why not create it yourself without having to resort to government funding? In fact, the Canadian creative industry as a whole generates billions of dollars of revenue, to my knowledge. I'm just putting the idea out there.

● (1720)

[*English*]

Patrick Rogers: Look, this is where we come from about it, and I'll put it into political terms for everyone here: The goal of the artists in your ridings is not to appeal only to their fans in your riding. The goal, and the ability now in the digital world, is to find all the fans, all the people who like them, all around the world.

[*Translation*]

Bernard Généreux: That's absolutely true. You're so right. For example, in the case of André Gagnon, a classical music composer, his greatest fan base is in Japan, not in Quebec. Although he passed away, he remains a great star.

Obviously, we want our culture to be disseminated around the world. However, does it have to go through a model that, as Mr. Ducharme suggests, would belong to the industry and be managed by the industry?

[*English*]

Patrick Rogers: As I've said at the CRTC with regard to Bill C-11, our goal is that public policy should be building Canadian artists a launch pad. I believe there are a lot of stakeholders who'd like a bomb shelter. Bomb shelters, by definition, only serve those who are in it. The launch pad should be the goal of it.

[*Translation*]

Bernard Généreux: I'd also like answers from Ms. Brown, Ms. Wilhelm and Ms. McGuffin.

[*English*]

Jennifer Brown: I tend to agree with Mr. Rogers. We are a Canadian country with great artists who travel around the world, as you said. Everything we're doing is to make sure that we are respected on the platforms where those works are being shared. That's where I think a vibrant licensing market is what we need. These works have been taken. They've already lost the revenue from that. Let's get them compensated, and let's make sure that they're being compensated in the future, not replaced in the future.

It's not just the current artists we have who are making sure that they're making a living. We also have new, emerging Canadian creators who actually see a viable path here, who actually look at this and say, "Yes, this is a career I want to get behind because I'm not just going to have a singular audience here. I have the network and the ecosystem to grow." I think licensing is still the answer. This is something that can happen.

Bernard Généreux: Thank you.

Is it done? Am I done?

[*Translation*]

The Chair: You still have 30 seconds, if you want to continue.

Bernard Généreux: I'd really like everyone to have a chance to answer my question, so go ahead.

[*English*]

Kelly Wilhelm: If I could just add to that, I think it's important to make a distinction between technology and digital technology capabilities in this sector and the AI question. In the arts and creative industries, there's been underinvestment in the management of digital cultural data for some time now. We're actually working at that disadvantage already.

Creators don't necessarily have the ability to manage their data properly and maintain that closeness and ownership over it, irrespective of AI coming into the picture. We need that infrastructure to be invested in. I definitely do agree with Monsieur Ducharme on that point and that the artists need to be able to govern that infrastructure themselves.

The Chair: Thank you.

[*Translation*]

Mr. Ntumba, you have the floor for five minutes.

Bienvenu-Olivier Ntumba (Mont-Saint-Bruno—L'Acadie, Lib.): Thank you, Madam Chair.

Mr. Ducharme, earlier you talked about necessary autonomy, cultural specificity and governance.

In my riding of Mont-Saint-Bruno—L'Acadie, there's a strong presence of artists, craftspeople and small cultural businesses. How can we ensure that cultural integration with artificial intelligence doesn't increase inequality in the industry?

I'd also like to come back to what you were explaining earlier. Can you clarify your thinking?

Marc-Olivier Ducharme: There are certain models, such as data trusts, that allow creators to deposit data into a trust that can be used according to the standards they set. People get together to create this trust. After that, the data can be used by industry or services, provided that standards are met and, often, money is paid. In Quebec, Culturepédia is one of those trusts.

For our part, we encourage the production and creation of specific data trusts, in other words, data trusts that belong to communities, whether they be aboriginal, Acadian or Franco-Manitoban. So communities can choose how their own cultural data that has been valued, either the cultural data that has existed for hundreds of years in our archives or the data from the Internet, are both preserved and used in the cultural industry. So creators have control over their own production. This is basic. They produced content, they deposited it and they were robbed. We now have a strategy to protect them: data trusts.

Data trusts are an example of shared governance and choice. People can decide how they're going to share their content. We're in a sharing economy; we share a lot of things. The Internet allows for such sharing. In fact, one of the Internet's special features is that it encourages us to share. We want to share, but we want to be compensated for that sharing. I think that's important. It's important to protect the value that Canadian artists produce.

● (1725)

Bienvenu-Olivier Ntumba: Thank you very much, Mr. Ducharme.

Mr. Rogers, along the same lines as the question put to Mr. Ducharme, who is asking for regulations in this industry, how do you see regulations being implemented?

[*English*]

Patrick Rogers: I would say two things. The first is that the most important part is to enforce the Copyright Act, as is. The second part, in terms of looking for something new to do, is to enforce transparency laws. In order to understand what has been ingested, in order to enforce that Copyright Act, we will need increased transparency.

As I said in my opening statement, the nerds freak out when we talk about this and say that the data is too big, too expansive, and that our poor human minds could never understand it, but again, AI should be able to build a list of what it's ingesting.

[*Translation*]

Bienvenu-Olivier Ntumba: Ms. McGuffin, as parliamentarians, our expertise in the musical field is quite limited. Can you explain in concrete terms how artificial intelligence is currently transforming the work of music publishers?

[*English*]

Margaret McGuffin: Absolutely. AI has been in the studios for a decade. It's used as an ideation tool in studios. Our small companies are using it to make sure they can scale quickly and can compete against global companies.

However, I also want to focus on the fact that in the music industry and in music publishing, we have data, and we are building technology to handle the licensing. What we need is the ability to license by making no changes to the Copyright Act. Data is not the problem in the music industry. We retain our data. However, we want to, in the AI world, make sure that there is transparency of the training data so that we can then license.

[*Translation*]

Bienvenu-Olivier Ntumba: Thank you, Ms. McGuffin.

Ms. Wilhelm, do you see a model for regulating artificial intelligence elsewhere in the world that Canada could adapt to its music industry?

Kelly Wilhelm: I think you're talking about music in particular.

[*English*]

As the others have said, the music industry in Canada is actually very well equipped to do this work. With the existence of SOCAN and with the way in which data has been managed in the music industry up until now, I would say it is one of the industries in Canada that can probably show us the way. Again, we require that clarity in order for that licensing to take place.

There are many other countries that are working in the same way. There's often a comparison to the EU AI Act. It has some clear protections for creators. Again, it comes down to what a country does with that EU AI Act, and that's the level at which we need to be thinking in Canada as well, with the capacity of the sector coming into play, with the clarity of the Copyright Act and then with that investment in creating those marketplaces for the work.

The Chair: Thank you.

[*Translation*]

I'd now like to welcome Alexis Deschênes, who is with us today.

Mr. Deschênes, you have the floor for two and a half minutes.

Alexis Deschênes (Gaspésie—Les Îles-de-la-Madeleine—Listuguj, BQ): Thank you very much, Madam Chair. Thank you for your welcome.

Good afternoon, everyone.

I'd like to address one risk in particular, to see how real and close it is. We read that it's possible to create fictitious groups using artificial intelligence. We recently saw the example of Velvet Sundown, which was able to get a million hits on Spotify.

Is there a real risk that artists and authors will be absolutely left out?

● (1730)

[*English*]

Patrick Rogers: The biggest risk to AI slop is stream manipulation, which is music that exists purely to be quickly generated to swamp services and then have people pretend to listen to it or have spins artificially generated. That hurts the overall pool for streaming services. Canada's major labels, as well as the major labels around the world, have joined forces to try to find ways to stop that from happening, because that dilutes the pool and hurts artists everywhere.

Margaret McGuffin: The ICMP has done a lot of work with international publishers to look at clones and fakes. They looked at the EU app stores and found many apps that were cloning voices, images and songs. It's pure copyright infringement and the apps need to be taken down. Patrick was talking earlier about having to deal with privacy and security legislation around likeness and image.

[*Translation*]

Alexis Deschênes: Mr. Ducharme, do you have anything to add?

Marc-Olivier Ducharme: I don't have anything to add about music creators specifically, because that's not my specialty. I mainly represent independent artists who do research and development, so that's not exactly our field.

[*English*]

Kelly Wilhelm: I would add only that this really speaks to the need for the transparency of labelling what AI-generated content is. We need to know when we have it, when we see it and what the impact is on the business models.

Jennifer Brown: I agree. As has been said before, it's the dilution of revenue that is due to human creators right now. By flooding the systems with all of this...and then manipulating it is beyond worse; that's called fraud. You want to make sure you're not diluting the pool and the revenue that's supposed to go to the human creators when their works are performed.

I want to go back to data on this point. We process billions of performances every quarter. Again, there's no fear of what we can handle from AI. The reporting can be handled. We can make sure that licences happen and people properly get paid.

The Chair: Thank you.

Mr. Diotte, you have the floor now for five minutes.

Kerry Diotte (Edmonton Griesbach, CPC): Thank you very much.

This is a general question that I think gets to the heart of everything. To each one of you, how much government control would you like to see on AI? What does it look like?

Let's start with Ms. Brown.

Jennifer Brown: We've all been pretty clear. First of all, keep the Copyright Act intact, with no exceptions, because when that is clear, it should bring people to the table.

We believe there can be a licensing market. We have market negotiations all the time. Amazon, Spotify and Apple Music have all negotiated contracts with SOCAN, the CMRRA and the labels to pay for the copyrighted work. They're still innovating and they're still paying for the licensing. We believe that can absolutely happen.

The transparency will help us because it will give us the level playing field to make sure that we can absolutely say, "You have our works. This is how we can start licensing." The clarity that there will be no exceptions will bring them to the table.

Kelly Wilhelm: I'll throw in the same points around enforcing the Copyright Act. I think we've been clear about transparency. We're clear about identifying what is AI-generated content, because

that matters a lot from the consumer perspective and the perspective of compensation.

It's important to remember that the government has many different roles to play. Legislation is one way it can help. There are direct investments in AI compute in the private sector that are absolutely massive. They could be matched or thought of more broadly in terms of their use in public AI investments, as we've talked about.

Skills and training are a very important part of this to be able to raise the bar for creative industries and to be able to participate in this economy fully. These are often folks who are working for the content and, in the case of independent artists, to get the art on the stage and do the work. They don't often have the ability to invest in that back end. Helping with skills and training development is a really key piece of all of this.

It's similar to anything to do with exports and creating those marketplaces. There are other things the government can do in addition to legislation that are really important to keep in mind.

● (1735)

[*Translation*]

Marc-Olivier Ducharme: I agree with everything that was said earlier.

Last year, less than $1 per Canadian citizen was invested in direct support for artists. In fact, the total amount was about $36 million. Someone asked us earlier why we don't create our own systems. You have the answer. When investments in direct support for artists are $36 million, there's no other way to work.

Independent artists are the ones who support the industry. They're at the bottom of the pyramid, in a way, but they move and flow through it. Video games as a creative industry wouldn't exist without visual artists. Support is needed for that to exist.

Artists are among the lowest earners in Canada. They are in an under-represented job class, and generally don't have the chance to make their voices heard in places like this, and don't hire lobbyists to put pressure on the government.

We're asking the government to invest in technologies, but we want those investments to be controlled by artists.

[*English*]

Margaret McGuffin: For the first time in my career, I'm coming here to say, "Do not change the Copyright Act." It is a low-interference and no-cost solution that will protect Canadian songwriters and the music industry that invests in them.

We know that many AI companies are coming and talking to you and saying how complicated it is. That is not true. They're saying that music on YouTube is free. That is not true. They're saying that it is too many lines of data. That is not true. Our companies are also tech companies. These companies pay engineers and they pay dividends, but they refuse to pay for the songs that they're using to train or for their outputs. That needs to change.

Patrick Rogers: I'd like to just agree with everything from Jen and from Margaret specifically.

I'll maybe talk about what it looks like. What it looks like is an understanding by tech companies that they have to get into a licence. What it ends up looking like is licensed legal services that do not yet exist but that we're excited about happening. It looks like a Canada that is a leader in this. At the Kananaskis summit, Canada led the way in saying that we need to do all these great things with AI while respecting IP rights. I think it's important. That was an excellent choice of words in terms of "respect". It's not "deal with" or "manage" or "figure out"; it's "respect". I think that's the answer going forward.

The Chair: Thanks very much.

Ms. Royer, you have the floor for five minutes.

Zoe Royer (Port Moody—Coquitlam, Lib.): Thank you, Madam Chair, esteemed colleagues and, of course, our amazing panel. I'm learning so much from the conversation.

My question is for Ms. Wilhelm.

Prior to being a member of Parliament, I was elected locally in my riding of Port Moody—Coquitlam for 14 years. For the past three years, I was actually a school trustee for the Coquitlam school district, which represents about 4,000 staff and 33,000 students from kindergarten to grade 12.

You mentioned AI skills training and education beginning in K to 12. I know that for one of the larger school districts that might be easier, but there are many smaller districts throughout B.C. and throughout Canada. How do you recommend that implementation? What would be some best practices?

Kelly Wilhelm: I'm very gratified to be thought of as having an opinion on this that could be useful. I'm not an expert in education policy, but I do have a husband who is a music teacher.

I grew up and was surrounded by teachers in that capacity as well, so education is very important in my life and, I think, in this case.

When starting at K to 12, the place to begin is with literacy. It's around understanding media, understanding the world around you, knowing what's real and what's not, and having the cognitive skills and the judgment to be able to know the difference. It isn't necessarily that I'm saying that at kindergarten you should be using AI generative tools. That's not necessarily the way forward. However,

we do need to have, at the youngest possible age, a skill set for our children to be able to know the difference for what they're looking at.

The challenge is there; I don't disagree with you. There are many sizes of school boards. There are many different approaches to curriculum across this country, depending on where in the country you live. I would suggest that if we're able to do things like the communications technology courses that are mandatory in Ontario now in grade 9, then surely we should be able to figure this out for K to 12.

● (1740)

Zoe Royer: It's really so interesting. I think three to four years ago, districts were really afraid of AI—how to manage ChatGPT, for example, and the cheating that might happen. Today I think the larger districts are really wanting to get out in front of this. It's really important.

What role can post-secondary institutions like OCAD and local colleges in my riding play in preparing the next generation of creators for this AI-driven world?

Kelly Wilhelm: I can speak a little bit to the OCAD experience. The students at OCAD work in a variety of different disciplines. They work in textiles, sculpture and new media. They also work in foresight and in thinking about design futures. What does the world we want to live in look like? How can we design that to be a place where we want to live?

For those students, they've grown up obviously way past digital natives, in that sense. Technology is ubiquitous in their lives. They know what they value, coming into their education. I think an important conversation needs to be had in the post-secs: How do you, as a creator in particular, want to be able to control your work, control your future and also contribute to the conversation that you're in as a creator? I think at OCAD there is a really smart way of talking about media literacy and the ability to market your work and understand the market you're working in.

In non-artistic post-secondary, obviously, the concerns around cheating and the policies around AI use are still developing in this country and elsewhere. I think the teachers, professors and that side of the education equation need support to be able to teach in this world. That is also, I think, at this point missing a little bit from their post-secondary education. That's a place to look as well.

Zoe Royer: Thank you very much.

Patrick, you mentioned copyright law number one. Number two was really around harmful deepfakes and the legislation around that. Given that legislation can take time, what would be some immediate guardrails that you would like to see put in place while the legislation catches up?

Patrick Rogers: I thank you for the question. This is something we think about a lot.

I'll share a couple of points on this. One, we've been sort of working away on the concept of deepfakes since the dropping of the fake Drake track. That made it clear at the time that, one, everything was already stolen. There was no point preparing for it to be stolen—it was stolen.

Two, bring me the person who disagrees with clamping down on deepfakes. We have yet to meet them. I do encourage the government and opposition parties to really get serious about this. If I walked into your office and impersonated you, that is already a crime. It should be a crime online the same way it is in person.

What can you do tomorrow? Again, drawing back to a previous digital revolution, the ads that appeared before Blockbuster movies that said you shouldn't steal this film were from the Motion Picture Association. It was from industry. This time around, we should have government stand up on it: This is illegal. You can't do this. You shouldn't do it. We're working on the law.

You could do that today.

The Chair: Thank you, Mr. Rogers.

Mr. Waugh, you have the floor for five minutes.

Kevin Waugh (Saskatoon South, CPC): Thank you, Madam Chair.

Mr. Rogers, you gave two interesting examples of where you're excited about AI. Brenda Lee had vocal damage over 50 years ago. You talked about Universal Music using AI and bringing her back to life. Boy, is she making a lot of money here—$5.9 million from over 1.47 billion streams of *Rockin' Around the Christmas Tree*, and then $2.7 million in master recording revenue for Lee and her label, which of course is Universal Music Group.

I can see why you're excited for Brenda Lee, but you were just saying that if I impersonated somebody in a room, I would be discouraged from doing this. However, when I look at Brenda Lee, who hasn't sung for 50-some years, you've actually impersonated her and made big money off of her.

● (1745)

Patrick Rogers: I thank the member for the question and the opportunity to clear this up. Universal Music Group and Brenda Lee worked on that project together.

Kevin Waugh: I'm sure she would.

Patrick Rogers: It's a fascinating story. The song was huge in Latin America before the translation. Universal used technology to do that in concert with her. This is, as I say, an example of AI at its best. Where it's the worst is when someone uses that technology to steal your voice against your will and to have you say things you would never say.

We can have both. We can have a world in which artists and everyday people consent to it, where an ALS patient who loses their voice consents—

Kevin Waugh: Absolutely.

Patrick Rogers: —to having the technology used.

Kevin Waugh: The other one is Randy Travis, of course, who unfortunately had that stroke in 2013, and now you're bringing him back to life.

Patrick Rogers: Well, we're giving him—who is alive—the opportunity to finish songs that were otherwise unrecorded. Again, they're his rights, his work, his choices.

When you hear Johnny Cash sing *Barbie Girl*, which is one of the most famous deepfakes, that makes us laugh because of how ridiculous that is. However, neither Johnny Cash's estate nor Aqua were involved in that. That would be one where we would draw the line.

Kevin Waugh: I'm happy you brought up Johnny Cash because, in my province, Colter Wall has been considered the new Johnny Cash.

What are your thoughts, Margaret? You're nodding your head.

Mr. Wall has decided to temper his performances. He does very few in North America, as you know. Everyone said that he sounds like Johnny Cash, but that's his own voice. Now he's changed his voice a little, on purpose, and everyone's wondering what's going on with Colter Wall's voice. What are your thoughts on that?

Margaret McGuffin: I don't really have the backstory on that, but I was listening to his music just before the Canadian Country Music Association Awards, so that's why I was nodding.

I don't really have the backstory on that, but I was listening to his music just before the Canadian Country Music Association Awards, so that's why I was nodding.

Kevin Waugh: They've been comparing him to Johnny Cash. Is that fair? Someone could say, "Oh, you're stealing Johnny Cash".

Patrick Rogers: Can I jump back in?

What you're giving is a different version of the "AI is a big, giant brain that listens to everything and is producing something different."

Two years ago, I was really worried about that argument. I worried that it made them *Star Trek* and us *The Flintstones*. In the litigation in the United States, with Suno and Udio, they have admitted in the litigation that it's not a big, giant brain; they're just stealing it, and they're rearranging the ones and zeros.

That's the difference between a human sounding like another human and the tech companies using ones and zeros to steal that voice.

Kevin Waugh: I think that when you come from Maple Creek, Saskatchewan, and when you fight uphill as he has.... Right now, Colter Wall is pretty big, and probably AI has helped him. A bit of digital has really helped him because when you come from rural Canada, you're fighting uphill.

Five or six years ago I mentioned his name to several Canadian music producers. They said, "Who cares about him?" Now they're at his doorstep trying to get him to sign record labels and everything else.

That's the problem we have: AI exposes you in this country, and then all of a sudden, you guys catch up several years later.

Margaret McGuffin: I think we want to be clear. Our companies are embracing AI. My medium-sized companies own thousands of songs, and when a music supervisor comes to them and says, "Which one fits this brief? We need a happy blues song for this ad", it can take them hours to go through their catalogues and listen again.

With AI, you can now drag and drop a YouTube video, find the ones in your catalogue—the three that you should pitch—and within five minutes, you're getting that pitch back to that music supervisor in L.A. and getting money to your songwriter in Saskatchewan. That's the beauty of AI.

The Chair: Thank you.

As someone with family in Maple Creek, Saskatchewan, I appreciated the reference.

David Waugh, you have the floor now for five minutes.

● (1750)

Kevin Waugh: He just stole my identity.

Some hon. members: Oh, oh!

The Chair: Somehow this conversation has gone off the rails.

David Myles (Fredericton—Oromocto, Lib.): We're a match made in heaven, Kevin. That's good.

I'm so pleased to be here. I'm so pleased to be having this conversation. Thank you all. I've been waiting patiently over here to be part of this.

I don't even know where to direct my question because we've been doing a lot of great work and having a lot of great conversations, but I think we want to touch on what regulations are going to look like. You can tell—I'm looking at myself—by my hair that I've really been thinking a lot.

I want to talk about regulations. We talked about it being possible, and I'm with you, Patrick. My concern was that this is a big brain that's already ingested all the songs of the world. The Beatles are all ingested, so at this point, it would just be creating based on what it has ingested.

Margaret McGuffin: Speaking of that, there are new models every day. ChatGPT is refreshed on a regular basis. We are in the business of licensing. Often, there is litigation that forces people to come to the table, and we retroactively license. This is not lost.

Do not change the Copyright Act with a text and data mining exception. Let us do our jobs and license this so SOCAN can pay you royalties.

David Myles: I love hearing it.

I want to get into the details of knowing that you can do it. What does it look like? In some cases, it must be drawing on dozens and dozens of artists. What would remuneration look like? Is it done through the ISRC?

What is the background of this that we can look at to get the ones and the zeros?

Jennifer Brown: There's a lot to be talked about. I'll go back to the very basics, because when you're talking about the ISRC, you're talking about matching and distribution. We're at the licensing stage. I'm going to put forward that SOCAN has very successfully, on a blanket, been licensing all of the digital platforms in Canada, all of the bars and restaurants and the broadcasters. This is not new territory.

When somebody is at the table with you and you have a dance partner, you can say, "Great. This is a win-win. You need our works. We're very happy that you want to use them, and we want to also share in that benefit." That's where the songwriters are. They're not trying to put the horses back in the barn. They know the works have been stolen. They're saying, "Okay, you stole it. I need my compensation."

We believe that can happen easily. We represent all of the world's repertoire in Canada. That doesn't just mean the Canadian artists; it means every single songwriter whose work is performed in Canada. We would love to sit at the table with these people and have them know that there are no exceptions and they have to be there. Right now, they are spending their money on lawsuits. They are spending their money on insurance and lobbying. They could be spending their money on licensing and have a win-win when we sit at the table and figure out a licensing agreement.

What you're talking afterwards about is more of the distribution piece. We already have all of the works in there. We believe, as Patrick says, that if you're an AI company, you can put a list together of all the works you have used. We process that kind of data on a daily basis. I'm not worried about that.

Patrick Rogers: The key ingredient to all of that is the exclusive rights. It is our ability to say we are going to do this or not do it. We're going to sign up with you or not. The other alternative, which different elements of the cultural sector will put forward, is that we don't need to do that in music. The exclusive rights are what are important. We know that because we put a price on music every day.

David Myles: Given the Copyright Act as it stands, which you don't want to change, what has kept you from pursuing a lawsuit at this point in Canada?

Margaret McGuffin: It's a willing buyer and a willing seller. We are a willing seller. There is not a willing buyer. These companies refuse to come to the table to negotiate, and they are counting on you to change copyright in their favour. That's why they're not coming and negotiating. We don't have a situation where we have a willing buyer and willing seller.

Sample licences are starting around the world. We're watching that. We're talking about what we can do with what we have right now.

David Myles: I'm sorry. I meant a lawsuit. Do you need two partners to have a lawsuit?

Patrick, in your case, representing the major labels that have had a bunch of stuff stolen, has there been any impetus to having a lawsuit against what's been stolen?

Patrick Rogers: Yes, in the United States, we are suing the largest generative makers right now. The largest generative makers are not currently in Canada,so we're not suing those players.

It's funny. I'm desperate for you to not ask me about headlines regarding licensing coming together, but if you were to look for headlines about licensing coming together, you would find them. I think that's very positive and hopeful news.

● (1755)

Jennifer Brown: All I would say from our side is to stay tuned. We want the dance partner to come to the table. If they aren't going to come willingly, we will force the issue. We will be willing to take action on that.

David Myles: That's very interesting.

How are we doing for time?

The Chair: You have 20 seconds.

David Myles: Oh, my goodness.

I have another question that I will continue, hopefully, in the next round regarding competition. Now we're seeing on streaming services that almost 30% of the art being uploaded is generated by generative AI. That obviously changes the market for Canadian artists.

Are there any thoughts on that?

Margaret McGuffin: That's all part of current negotiations now too, and that needs to be dealt with.

The Chair: Well said.

You finished right on time.

[*Translation*]

Mr. Deschênes, you have the floor for two and a half minutes.

Alexis Deschênes: Thank you, Madam Chair.

Mr. Rogers, I want to come back to your concern about the large technology companies negotiating an exception to the Copyright Act. Is this fear based on lobbying efforts? What exactly is the basis for this fear?

[*English*]

Patrick Rogers: Yes, right now.... Again, the global digital music industry is global, so there is jurisdiction shopping happening right now, where there's a hope, a desire, that different countries and different markets will take on a text and data mining exception. If that happens, it will put all of us at greater risk in all of the other countries that have not.

As I said off the top, I think Canada is making a great start in this, in the G7 statement, in saying that we wouldn't and that we would respect IP. That's where the fear comes from. It's something that we watch very closely. We're hopeful that Canada stands strong against it.

[*Translation*]

Alexis Deschênes: Do you have any information that would lead you to believe that such measures are currently being taken in Canada?

[*English*]

Patrick Rogers: I take a slightly different view of this. I believe in parliamentary democracy and people's ability to come and make these statements to you and to meet with you in your offices and do that. I wouldn't villainize it. That's why we have a Lobbying Act. That's why we can track all of these things.

I'm not worried about them doing it. I'm worried about you accepting it. I would encourage all of you to hear from us today and understand our concerns about that and, especially when it comes to a text and data mining exception, to take our arguments over theirs.

[*Translation*]

Alexis Deschênes: I'm going to use the last few seconds of my time to talk about the challenge of getting data from the big tech companies, so you know what they're getting from you without paying you.

What processes and mechanisms are in place to help you do that?

[*English*]

Margaret McGuffin: We do that in negotiations already. We ask for transparency.

What we've found internationally when ICMP has done the work when there have been leaked datasets is that often companies will say that they don't have the information on the traded data, but when the data was leaked it was lists of very specific YouTube links with categories, genres and artists' names attached—very well curated.

What the companies often say is that "this isn't available" or "we use a third party supplier for our data and we don't know what's in it". When in actuality, when we are able to see that data, it is very clear exactly what's in there.

The Chair: Thank you.

[*Translation*]

I gave you a little more time, given the time required for interpretation.

[*English*]

Mrs. Thomas, you have the floor for five minutes.

Rachael Thomas: Thank you very much.

Ms. Brown, I have a question for you. One of the things I read in a submission given to the government by SOCAN was a statement that "with proper safeguards and an appropriate copyright framework, artificial intelligence (AI) can support and enhance human creativity in the music industry."

This phrase "proper safeguards" I find interesting, because I think different folks would define that differently. How would your organization define "proper safeguards" when it comes to AI?

● (1800)

Jennifer Brown: What we're looking for is a win-win. We're looking for the opportunity for creators to use AI, ethical AI that is licensed, so that they know they have that partnership there and that the output they have from using AI will be licensed.

The safeguards there, too, are what we've been talking about: the transparency, the ability to know what has gone into your model and the labelling when it comes out, so that we know this is generative AI. I think those are very simple tools to start putting in place to allow a market to start thriving and to have a win-win, both for tech to thrive but also for the creators to use AI in a really positive way.

Rachael Thomas: You've used the phrases "licensing" and "ethical AI." These are catchphrases, but there's no further explanation of what they mean and what that looks like.

When you talk about a licensing scheme with regard to AI, very practically, what does that look like?

Jennifer Brown: Practically, we do not have a licence in place with any AI company. As I mentioned, no one has come to the table.

I will tell you that we have licences in place with every other tech provider that operates in Canada. We sit at the table with them and they get to use all of the repertoire. They don't have to ask specifically, "Can I have this piece?" They have access to the world's repertoire of music for a revenue share.

In most cases, that's the way it is. If you're a subscription model, then maybe it's a percentage of revenue. If you're a free service, then maybe it's a flat fee. These are things that two willing people across the table sit down and figure out: How is it that you're generating revenue? Let's respect the value of the creative work that's been put into that, and let's figure out what the right monetary licence really is.

A licence is not theoretical. We have plenty of licences. Most of them are—I say, with the tech agreements—negotiated agreements. These are willing partners sitting at the table, in a free market, negotiating.

Rachael Thomas: All right.

With whom are these AI companies entering into licence agreements?

Jennifer Brown: We think that SOCAN should definitely be at the table, because the underlying composition has been used. That's what they scraped—those songs—but they've also used the recordings.

There are many different ways that the copyright has been stolen, so that's what we have to look at. They have to be going to the music labels, performing rights societies and, potentially, the publishers. There are a lot of different parts of the copyright they have already used, which now we have to come back and license.

Rachael Thomas: When an AI model is using journal articles from years or decades past, information from a committee like this or me speaking in the House of Commons or the comments that are made by other individuals throughout society, would there be a licensing agreement for all of that?

Jennifer Brown: No, that's public.

I'm talking about the copyrighted songs of creators, songwriters and their music publishers. These are songs that they've created and are protected under copyright. That's not meant to be used for free by anyone. The very purpose of copyright is that there would be a request to use it and then compensation when you do use it. That's very different from public information.

Rachael Thomas: Absolutely. This is the clarification we're seeking.

Again, this phrase keeps being used, so let's define it. You're saying that a licensing agreement would be generated between these AI companies and different individuals or companies that have copyrighted works. Is that correct?

Patrick Rogers: It would be rights holders.

Jennifer Brown: Rights holders...yes.

Rachael Thomas: Okay. Thank you.

The Chair: Mr. Myles, you have the floor for five minutes.

David Myles: I think it's important, actually, to continue with what MP Thomas was discussing.

It's an important thing to clarify that this is by no means an introduction to something that is foreign to the free market. This is how the free market works with copyrighted works. As you said, there's a reason why they call it mining, because it's of value. Copyrighted works, unless we're thinking of getting rid of copyrighted works, and I sure don't think we are, are part of what a market looks like. It's not necessarily just regulation. It's about giving value to things that are otherwise stolen as if there was no value or copyright, if I'm not mistaken.

It's important to make the distinction between what is free market and what is perceived as potential over-regulation. From what I understand, Warner Music, Universal Music and Sony Music are fans of the free market. They're some of the largest companies in the world. I think that's important to recognize in this conversation.

What we're talking about is protecting copyrighted works. We've also talked about the potential for this to be a very doable process in the same way that, when a song gets played on the radio, an artist gets money. That's how copyright works. When a song gets played on a commercial, a company calls me and says, "Can we use your song in this commercial?" and it becomes a choice between me and that company, depending on the value that they want to spend on that. That's called the free market. It's a wonderful thing. It can be a wonderful thing.

That's a really important distinction we need to make right here. We're not talking about rethinking the free market. We're talking about putting value on something that, at the time being, is being mined as if it is data that is not copyrighted. This is what we are considering. Am I correct?

● (1805)

Patrick Rogers: Absolutely.

Those other questions touch on why I think music is so important. I think being a lobbyist for the music industry is actually a great job because people love it, value it and understand it. Where this conversation gets difficult and complicated is where we compare it to something like Hansard. Hansard is publicly available and free. AI tools should be able to scrape Hansard because it is publicly available and free. As for music, as I said before, we know exactly what that's worth. The value of music is what it costs to go on a commercial. If you're stealing it from Spotify, it's the monthly cost on Spotify. There are very different things.

If companies are coming to you and saying that the value of AI is going to be fixing traffic patterns, curing cancer or mapping the stars, that's great, but you don't need Taylor Swift's catalogue to do that.

David Myles: I think we all want to be.... As we've said today, we've clarified that also, as a tool...that's an important distinction to make. As I said last week, we don't want this to look like the eighties when they were talking about hip hop and they didn't understand and said that it wasn't art. Of course, what was the key to that working? It was licensing. It was licensing sampled records. It wasn't that sampling records wasn't art. Sampling records was awesome—some of the best music ever made. Again, what solved that problem was saying, "No, it's all good, but we're going to set up a regulator. You're going to be able to license a beat. You're going to be able to license part of a song. You're going to be able to use that song to make another song." The creativity didn't stop; it actually exploded. It exploded, but then other artists could be paid for their work if it was recognized in another song. That's an important distinction to be making here.

Obviously, there would be questions about how the number, how the value, would be arrived at. What are the other lawsuits that are happening internationally? Are they giving us a sense of what that looks like from a remuneration perspective?

Jennifer Brown: Right now.... First of all, I just want to comment on what you were talking about with regard to hip hop. I think that is a lovely example of what you're talking about with regard to creators as innovators as well. I just want to put that out there because tech will always say that they're the innovators. No, creators are. Creators are also pro-tech, and we just want tech to be a little bit more loving of the creative side.

The monetary way or the way that you would start looking at this.... Potentially, lawsuits can help. We also go to economists. We start looking at what other similar uses are and how you value it. There are some examples of licensing models that are out in Europe that haven't been adopted yet. I'm going to say that there are going to be a lot of different tools in this tool kit because it is an emerging use. It is going to be, I'm going to say, experimental to start. This is typically how we start, even with digital. There was experimental licensing. We sat across the table from each other. We worked it out. Then, in two years, we updated an agreement, and we moved on and improved on it. I don't think we're going to have the perfect be-all answer in the first agreement. I don't think that's realistic.

However, I think that when you are at the table and start having that conversation, you can get to a model that works for both parties, with the expectation that you keep growing and building on it.

● (1810)

The Chair: Thank you.

We have time for half of another round, so we'll go five minutes, five minutes and two and a half minutes, if everyone is okay with that.

[*Translation*]

Mr. Généreux, you have the floor for five minutes.

Bernard Généreux: Thank you very much, Madam Chair.

Ms. Brown, Mr. Rogers or Ms. McGuffin, I'd like you to tell me why you're concerned that the Copyright Act may be amended. It's very important for us to know that.

[*English*]

Jennifer Brown: I can start, and then they can probably finish.

The songs have already been stolen. Our fear is that this will be allowed to have happened and that it will be rewarded.

Patrick Rogers: You will eventually meet with AI proponents who will say that rights holders are standing in the way of innovation. That's just fancy code for "We want to steal their stuff." That's why we're worried about it.

Margaret McGuffin: I agree with that. We know that these conversations are happening. We've heard from other countries that they're happening. It's a lobby that we know is happening.

[*Translation*]

Bernard Généreux: Madam Chair, has the list of witnesses who will appear during this study already been made public?

The Chair: No, it hasn't.

Bernard Généreux: Are there any witnesses you think we should invite in order to get the counterview of what you're telling us? I'm thinking in particular of Google or other major industry players. Do you think it would be important for all of us here to invite those people and ask them questions? We'll be able to learn more about their reality, but also about their potential intention of getting rid of laws, bills or other elements that would hinder their development.

Do you have names of witnesses in mind?

Are you afraid of being slapped on the wrist by some witnesses or people in the industry?

Jennifer Brown: No.

[*English*]

Patrick Rogers: If I may, I might suggest a couple of questions for when other stakeholders come.

I would ask, especially if you're meeting with someone who represents an AI model, a few questions: Are you licensing the music? What are you training on now? Is that music licensed? If and when their answer is "no", I would ask them why not. I would uphold the pillars of the Copyright Act in those discussions.

[*Translation*]

Bernard Généreux: Ms. Brown, do you want to add something?

[*English*]

Jennifer Brown: I don't know.

[*Translation*]

Bernard Généreux: What about you, Mr. Ducharme?

Marc-Olivier Ducharme: I would suggest that you invite people who are creating models here in Canada. If you wish, I can send you a list of people who work in research centres and artists who collaborate with them to create generative models in both visual arts and music.

Bernard Généreux: That would be very much appreciated.

Marc-Olivier Ducharme: I'd be pleased to provide you with those names. In addition, it would allow you to hear voices other than those from the industry. So far, the music industry has taken up a lot of space.

Bernard Généreux: I'd like to come back to an example I gave at the Monday meeting. I'm not an artist by any stretch of the imagination. Mr. Myles is several miles ahead of me on that. That said, if I were an artificial intelligence whizz, despite my lack of musical knowledge, and had the necessary skills to generate music, for example, would I become an artist? If so, would I be eligible for a licence? Based on what was said here earlier, I understood that I should have a copyright for this, so I'd like to know where my money is. No one sent me anything like that.

I'm joking, but under those circumstances would you consider me an artist?

Marc-Olivier Ducharme: No, you don't seem to be an artist.

[*English*]

No offence.

● (1815)

[*Translation*]

Bernard Généreux: I'm a lot of things, but I'm not an artist, that's for sure.

It's important to understand the purpose of our study. I sat on the Standing Committee on Industry and Technology for several years, until I became a member of this committee last June. The Standing Committee on Industry and Technology studied Bill C-27, which addressed several interrelated issues, including artificial intelligence. It was a big bill. Clearly, the Liberals didn't do their job properly because they should never have included privacy and artificial intelligence, even though they are interconnected. Artificial intelligence alone needs to be studied, as is the case with the study we are currently conducting. This issue will also be addressed in studies conducted elsewhere in Parliament, including by the Standing Committee on Official Languages. You talked about francophones living in minority situations; protecting them is very important as well.

Anyway, I want to reiterate the purpose of our study and what we're looking for from you and other people in the industry. I'm sure that some people are listening to what is going on in committee today and will be called upon to testify. How can we ensure that our cultural industry is growing across Canada while protecting it, in the current context where we're using artificial intelligence tools? That's the purpose of our study.

Mr. Ducharme, you're right in saying that we must protect our cultural industry, but does it have to go through a government model? Personally, I don't believe that. Can the government participate in that? That's certainly the case.

However, we have a lot of work to do to ensure that we protect our Canadian identity, as well as our Quebec, francophone and francophile identity across Canada.

The Chair: Thank you for that intervention, Mr. Généreux. We're out of time for an answer.

Mr. Al Soud, you have the floor for five minutes.

[*English*]

Fares Al Soud: Thank you, Madam Chair.

I'll take a very quick moment to say that you all clearly love what you do and you're surrounded by others in your space who also very clearly love what they do. You want to keep doing it collaboratively. I want you to know we can tell that and we appreciate it.

This has been a lot of fun. There are so many questions and such little time.

Mr. Rogers, I'll go back to you very quickly. I think it's worth emphasizing in the broader context what I believe our intent would be, which is creating a space for AI to grow and for the Canadian industry to lead, without it bearing a cost on Canadian culture or Canadian heritage.

Tech and music do not operate without one another as is. You mentioned the work you do alongside tech already, but could you expand on how Music Canada engages with the cross-sectoral organizations around AI in music, in particular?

Patrick Rogers: Thank you for the opportunity to talk about this.

The modern record label is a tech company. In order to find fans in Japan, we make use of technology, including AI-engaged technology. We are very excited about what licensed, legal, paying AI models will do for the industry in order to continue human creativity.

After this meeting, I'm going to talk to Mr. Waugh and make sure he understands how great that Brenda Lee example is. There is such opportunity. There are the heartstrings opportunities about losing voices and doing things that really make good advocacy.

A licensed, legal generative service could make Mr. Généreux an artist. We could be excited about that, but all of the inputs, including Mr. Myles's, need to be compensated for Mr. Généreux to become an artist.

Fares Al Soud: Fantastic. Thank you, Mr. Rogers.

Ms. McGuffin, I have a quick question for you.

How realistic do you think it would be for licensed training data at scale...and who do you think should bear that responsibility? Is it platforms? Is it developers? Is it governments? I'm curious on that front.

Margaret McGuffin: I think it's the government making sure there are no loopholes so that tech companies do not have to supply it to labels, publishers and collective management organizations, like SOCAN and CMRRA, who then negotiate those agreements, pull the data in and invest in their own tech to make sure those payments are made.

Fares Al Soud: We hear very frequently calls for transparency to know whether works were used in AI datasets. Would you support a nutrition label, so to speak, or a disclosure standard for AI-generated content?

Margaret McGuffin: The role of government in this needs to be reviewed to know exactly how it would be helpful. We often do that already in negotiations in the private sector, but there may be a need to have some discussions on possible things that would help. I'm not committing to that right now, though. I want to be optimistic that people will come with their data and talk to us about a licence.

● (1820)

Patrick Rogers: When you meet with stakeholders who oppose this idea and suggest that the secret sauce will be given away...that's not how an ingredients label works. The ingredients of a Pepsi do not explain how to make a Pepsi, so an ingredients list is a totally valuable example, and I encourage you to push on that with stakeholders who oppose it.

Fares Al Soud: I'll ask one final question.

All of you represent parts of Canada's creative ecosystem. We talk a lot about protecting culture. How do we design an AI future where Canadian artists, educators and innovators shape culture, rather than just defend it from external forces? How do we future-proof, so to speak, what we're likely to see happen in the industry?

I'm open to thoughts on that from anyone.

Kelly Wilhelm: I'm happy to jump in.

Invest in the creators of the work and invest in their ability to own, control and benefit from their own intellectual property. When we talk about copyright, we're talking about a form of intellectual property. In other industries, on things like patents, if a data-scraping exercise gave up the recipe and method for making a Pepsi, there would be hell to pay. If we can use that analogy in the cultural sector, we can understand the value a bit more.

The policy lens and the government lens about IP ownership and the ability to exploit that IP are also the model in the cultural sector. It just looks different. It also has a cultural value.

[*Translation*]

Marc-Olivier Ducharme: Arts and culture are made up of several disciplines. Today we've heard a lot about the music industry, but I'm sure the film people would have similar things to say.

However, we must not forget that most artistic and cultural works in Canada are created by independent artists or collectives working within companies, such as theatre or dance companies. We must not forget these people. We have to remember that many, many Canadian creators are not supported by an industry per se. A committee such as yours must listen to those artists and creators and ask them how we can protect them and support Canadian culture. It's probably through investment.

The Chair: Thank you.

Mr. Deschênes, you have the last word. You have two and a half minutes.

Alexis Deschênes: Thank you, Madam Chair.

I need a little clarification to fully understand what we're trying to protect.

In the research document submitted to us, we're told of the economic importance of copyright, among other things. We're told that in 2023, it involves nearly 700,000 jobs and about $63 billion, or 2.3% of the gross domestic product.

Is that whole economy at stake?

[*English*]

Patrick Rogers: To put it into music terms, Canada is the eighth-largest music market in the world. We are the third-largest exporter. We are only behind the U.S. and the U.K. The music industry in Canada, both its independent and its major space, is a success story. It is a success story worth celebrating and I think worth protecting.

AI and the collapse of copyright law in Canada pose a massive risk to that. That's what we're here to talk about today.

[*Translation*]

Alexis Deschênes: What's the economic importance of that industry?

[*English*]

Patrick Rogers: It's about $900 million annually in Canada.

[*Translation*]

Alexis Deschênes: I'd now like to ask Mr. Ducharme a question.

Mr. Ducharme, I'm going to give you the last minute and a half of my speaking time so that you can tell us how you see cohabitation with artificial intelligence and how it may present opportunities.

On the positive side, what do you see?

Marc-Olivier Ducharme: I'd like to tell you about the Metacreation Lab at Simon Fraser University, a laboratory that examines issues related to emerging technologies in artistic production.

They've created a visual generation model that doesn't use copyrighted content. This content can therefore be used by artists to create a model using their own work. Artists can then use it.

It's a really interesting model. Other researchers and artists in the United States and elsewhere have created the same type of model.

The model will generate an image based on the works that were used to train the model and that belong to the artists. The artists will prepare their own corpus, and a training process will feed it into the machine. Rather than feeding a product, they'll feed this model. Then, they'll be able to create their own artworks, in their own visual style.

The problem is that you can't run this model on a regular computer. You need a relatively powerful computer. However, that infrastructure isn't currently available.

So artists need to find a way to access powerful computing infrastructure, but also find a way to fund that. So it will be through their own subsidies, since we operate with subsidy schemes. They'll apply for a grant from the Canada Council for the Arts. They may get it. If that's the case, they may be able to find that computing power to make the model work.

Right now, we don't have any spaces or infrastructure for artists to use the models that are produced in Canada. There's music, video and visual arts. If we don't create those spaces and invest in accessible Canadian infrastructure for artists, that's not going to happen. We're going to stifle innovation. These innovations will remain in university research centres.

● (1825)

The Chair: Thank you, Mr. Deschênes. Your time is up.

[*English*]

I want to really thank all of our excellent witnesses today for their testimony. It's really valuable while we put together our report.

If you don't mind waiting, members, I have a budget for our briefing on CBC/Radio-Canada. I have a budget for snacks that day.

Can I have someone move it? Mr. Ntumba moves it.

Is everyone agreed that we can pass this budget?

(Motion agreed to [*See Minutes of Proceedings*])

The Chair: Happy Thanksgiving, everyone. Have a great week. We'll see you when we're back.

The meeting is adjourned.