



The Cultural Policy Hub at OCAD University

Submission to ISED | Help define the next chapter of Canada's AI Leadership

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About OCAD University

OCAD U is Canada's oldest, largest and leading art and design university, located in downtown Toronto since 1876. Over 4,500 students attend one of our 17 undergraduate and seven graduate programs. We are a leading hub of art, design, digital media, research and innovation, and our classes are taught by some of the top experts in their fields. Students benefit from hands-on studio learning in small classrooms and have access to state-of-the-art shops and studios.

Our students gain in-demand, employable skills and go on to work in every imaginable sector, including animation, design, film, illustration, publishing, urban planning and visual arts. OCAD U teaches students to innovate and solve the big problems of our time. Our graduates bridge the skills gap in many different sectors including manufacturing, finance, automotive, creative industries and technology. We give them the real-world transferable skills, innovation and creativity demanded by today's high-tech, fast-evolving economy.

About the Cultural Policy Hub

The Cultural Policy Hub at OCAD University is a partnership that facilitates and expands the arts and cultural sector's capacity in policymaking, research, data analysis, program innovation, and knowledge mobilization and exchange. The Hub is a national, bilingual platform that builds communities of practice among researchers, policymakers, artists, and creators from across Canada's academic, government, non-profit and private spheres. It supports cultural policy decision-making from the local to the national levels and is a partner in public policy issues to which the cultural sector contributes.

CANADA'S AI LEADERSHIP STRATEGY: CONSULTATION RESPONSE

Introduction | Key Recommendations

This submission responds to the Government of Canada's 2025 consultation to help define the future of Canada's AI strategy. It consolidates internal research, survey data and insights and recommendations from roundtables conducted by the Cultural Policy Hub at OCAD University (the Hub) over the past two years. Through its research network, the Hub has convened artists, researchers, technologists, policy leaders and creative industry executives to examine the intersection of AI with both the creative industries and the arts, culture and heritage sectors. It has engaged with numerous leading organizations and institutions as partners in this research, including the Centre for International Governance Innovation (Ontario), Ethically Aligned AI (Alberta), the Coalition for the Diversity of Cultural Expressions (Québec), and the Artificial Intelligence Impact Alliance (Québec), among others.

The Cultural Policy Hub views the renewal of Canada's AI strategy as an opportunity for government to leverage expertise from the cultural sector and creative industries to chart the future of AI in Canada. The creative industries (film and television, music, publishing, and interactive and digital arts) in particular have been early adopters of AI tools and are contributing to AI innovation in the creative sphere. Creators have also been among those most impacted by the rapid proliferation of AI tools, as many of those tools have been trained and developed using creators' work, often without that work having been tracked or licensed, and often without any credit or compensation to the artists themselves.

At a moment when Canadian cultural and digital sovereignty are in question, the creative sector can play a critical role in helping Canada define what its future looks like, and in developing the tools and narratives that will help shape that future. There are many in the arts and culture community who are suspicious of AI and transformation and who oppose its adoption within cultural and creative spheres. While we acknowledge their concerns, the purpose of this document is to chart opportunities for the creative industries to be active partners in the development and adoption of ethical AI strategy that reflects the rights, contributions and values of those working within the sector.

This submission argues for the cultural sector and creative industries' participation in Canada's AI strategy development across four areas: Cultural Sovereignty & Creative Ambition; Sovereign & Accessible Data; Regulation; and Skills, Training & Education. The document includes several recommendations that respond to the strategic priorities outlined in ISED's consultation call. These recommendations are informed by expert perspectives gathered by the Hub in its convenings on AI, and are reinforced by a survey—conducted by the Hub in collaboration with Nordicity in October 2025—that explored how the creative industries are adopting and adapting to AI.

Key recommendations include:

- Create a dedicated Creative Al Innovation Fund: Finance public-private partnerships that accelerate Al-augmented production pipelines, domestic creative-software development and shared infrastructure.
- 2. **Establish a National Cultural Sovereignty Framework**: Embed Indigenous, Francophone and diverse community governance into AI policy; mandate

- collective-licensing models for AI training; and require explicit consent and metadata protocols for the use of cultural data.
- 3. **Build an AI commons**: Develop compute, data, tools and education made widely accessible so Canadians are not only users but creators.
- 4. Launch a comprehensive National AI Literacy Strategy for the Creative Economy: Deliver coordinated K-12, post-secondary and lifelong learning programs, as well as public-facing education campaigns; establish a Cultural AI Advisory Council that ensures creators, educators and Indigenous groups steer AI education, impact assessments and fellowship opportunities.

Beyond these recommendations, the Cultural Policy Hub encourages the government to develop an AI strategy that addresses the following issues:

- Bias in datasets used to train AI and the perceived threat of increased bias if AI developers are restricted to using materials from the public domain for TDM and machine-learning
- The recognition of Indigenous sovereignty in the development, training, and application of AI
- The existing and future impacts on the environment and on human rights from Al development and implementation
- The implications for education around ethical approaches to pedagogy in the age of AI

Cultural Sovereignty & Creative Ambition

Context

Canada's creative industries contribute over \$60 billion annually to GDP and employ around 670,000 people. They are natural incubators for innovation, combining artistic creativity with advanced digital technologies. The creative industries are contending with incremental changes that AI is enabling, including how it can improve existing approaches to business services and creative processes and help content reach new audiences and grow global markets. Respondents to the Hub's survey identified 34 AI or AI-enhanced tools that they are currently using to support tasks across the creative pipeline, from research and ideation to production to coding and developing new UI for customers. Just under a third of respondents confirmed that they have integrated AI tools into their daily business or activities, and another 29% have done so on an occasional or by-project basis.

Al also has the power to transform the sector. While creatives want to play a role in that transformative process, SMEs and independent artists generally lack access to the data and computing infrastructure that fuels Al innovation. Unlocking this capacity would enable greater participation from the creative industries in developing Canadian-made tools and solutions to help drive success in telling Canadian stories.

Public-private R&D collaboration fuels global competitiveness. At an industry roundtable hosted by TIFF and the Hub at TIFF50, participants showcased how joint efforts between studios, AI vendors and government-funded compute resources can create "AI-augmented post-production pipelines." For example, SideFX—developer of the AI-assisted VFX platform Houdini—partnered with Dark Slope to launch a virtual production smart stage in Toronto, demonstrating that Canadian firms can compete globally with domestically built creative software. AI can also help protect and promote Canadian cultural identity in a globalized content market. Telefilm and the Canada Media Fund (CMF) are piloting the use of AI and

data analytics to improve the discoverability of Canadian films and series on streaming platforms. This could help ensure that Canadian stories appear prominently in algorithmic recommendation systems—critical for maintaining cultural visibility in a globalized, Al-driven media environment.

Protecting and promoting Canada's cultural sovereignty and creativity means protecting its creators; as such, there is a strong consensus that solutions should be market-driven but principles-led. As one respondent to the Hub's survey put it: "It's essential that this consultation not only accelerates innovation but also centers human creativity, cultural diversity and equitable access to AI tools, ensuring that Canada's digital future reflects its artistic and social values." The sector seems to overwhelmingly support voluntary, collective licensing models managed by existing collectives (e.g. <u>Access Copyright</u>) to ensure creators are fairly compensated. Indeed, collective licensing can act as a market catalyst. The music industry's mature collective-licensing ecosystem (<u>SOCAN</u>, <u>CMRRA</u>) shows how a well-structured rights collective can swiftly extend licenses to AI developers, creating a predictable revenue stream and encouraging domestic AI firms to partner with rights owners.

Canada's AI ecosystem already boasts world-class research (Mila, Vector Institute) but lacks a clear pathway for culturally rooted, content-focused AI firms to scale. Ensuring that AI development in the creative sector is led by Canadian voices—including Indigenous, Francophone and diverse communities—is essential to preserving cultural sovereignty and amplifying Canada's unique stories on the global stage. Investment in artist-led AI projects can produce dual benefits: technological innovation and creative content that enhances Canada's global visibility. By prioritizing projects that reflect Canadian values, languages and traditions, these initiatives can strengthen cultural ambition while fostering economic growth. Such models align with the G7's 2025 commitment to human-centred AI prosperity and can attract private investment to Canada's cultural ecosystem by demonstrating responsible innovation in practice.

Recommendations

- 1. Launch a Creative Al Innovation Fund to support public-private partnerships in Aldriven creative industries. Priorities could include:
 - Scaling Al-augmented production pipelines by funding collaborations between studios, Al vendors and academic institutions.
 - Targeted grants for Canadian firms developing domestic creative software to compete with tech giants.
 - Incentives tax for companies that invest in AI tools for cultural visibility, such as algorithmic recommendations for Canadian content on global platforms and cultural digital start-ups that utilize FAIR-compliant cultural trust data under collective licensing agreements.
 - Investing in smart stages, VFX hubs, and AI labs to provide domestic infrastructure for global competition.
- Develop a National Cultural Sovereignty Framework that integrates Indigenous narrative sovereignty and data sovereignty principles into federal policies. This framework should:
 - Mandate cross-sector coordination between government agencies, Indigenous organizations and cultural institutions to align creative and economic policies.

- Expand and update policies (similar to the <u>On-Screen Protocols & Pathways</u>) in other creative sectors (e.g., music, literature, visual arts) to ensure equitable storytelling and representation.
- Legislate protections for Indigenous cultural data, requiring AI developers to comply with community-controlled metadata protocols (e.g., FLAIR project) and obtain explicit consent for data use.
- 3. Develop a Cultural AI Sandbox for start-ups to test AI tools that enhance discoverability, with grants for projects that align with cultural sovereignty goals.
- 4. Host an annual AI & Culture Summit, inviting global investors to see Canadian innovation (e.g., AI in film, Indigenous digital storytelling). This will help track progress and continue the conversation on these important issues.

Sovereign & Accessible Data

Context

Sovereign AI infrastructure determines who controls training data, compute cycles and resulting models. In other words, cultural digital sovereignty depends on who governs the sector's data, as well as its compute and cloud infrastructure. For the cultural sector, data sovereignty means ensuring that Canadian-originated artworks and content remain under Canadian jurisdiction, and that companies have access to Canadian cultural assets and data that can support innovation through a <u>FAIR</u> (Findable, Accessible, Interoperable and Reusable) model. Strengthening Canada's digital and data infrastructure to encourage the development of competitive AI tools are among the top priorities that have emerged from the Hub's engagement with the creative industries on this issue.

The cultural sector, known for its ethical stewardship and public trust, is a critical partner in designing public AI models. While <u>Canadian Heritage is collaborating with Mila</u> (Québec) to explore practical ways to advance responsible cultural data governance as part of Canada's AI infrastructure development, there remains an urgent need for publicly-funded compute platforms that are openly accessible to cultural researchers and artists. In response to the Hub's survey on AI, representatives from the creative industries identified the following infrastructure gaps that risk holding back AI innovation in Canada (in order of priority):

- Lack of high-quality, culturally relevant and ethically sourced datasets (26%)
- Lack of national coordination for Canadian-owned AI infrastructure (23%)
- Lack of inclusive governance models (17%)
- Insufficient investment in shared AI infrastructure (13%)
- Digital divide in remote areas (11%)
- High cost of computing power (11%)

These results indicate that, from the perspective of respondents, limited investment in shared or public AI infrastructure—such as compute clusters and data repositories—restricts access for SMEs and independent creators. Expanding these resources would democratize AI tools, enabling wider participation in the creative economy.

In order to remain competitive in this space, Canada needs to invest in Canadian-owned and governed public data infrastructure, capable of supporting both technological and cultural innovation. Cultural datasets—held by institutions such as public culture funders, libraries, museums, broadcasters and Indigenous institutions—are essential national assets. Cultural institutions like museums and archives are, alongside Indigenous knowledge holders, already

trusted stewards of our collective memory. They can model transparent, ethical data governance for other public services.

Cultural datasets are public goods that require protection and equitable benefit-sharing frameworks. Initiatives like <u>Culturepédia</u> (Québec) and 221A's <u>Node Library</u> (British Columbia) demonstrate practical ways that FAIR principles can be applied to cultural assets, providing the essential raw material for domestically trained AI models. Investing in the consolidation, accessibility and security of those assets would not only advance AI development, but also support cultural preservation and content regulation. In Canada, data sovereignty safeguards are critical for protecting Indigenous and minority cultures. <u>Abundant Intelligences</u>, an international Indigenous-led research program, advocates for Indigenous-controlled compute and data infrastructure, while the FLAIR Indigenous AI project's metadata tags offer a practical, community-controlled safeguard that enforces sovereign data governance.

Recommendations

- Create a federally mandated, independently governed Canadian AI Commons:
 Guided by FAIR and Indigenous data principles, this commons could hold, curate and
 provide controlled access to digitized cultural holdings (including those from
 Indigenous repositories, museums, archives, broadcasters, and film and music
 corpora).
- 2. Allocate affordable computing resources and establish Canadian-based systems for training AI using cultural data. Make these resources available through a national platform, ensuring sustainability and accessibility across the country.
- 3. **Invest in public compute and cloud infrastructure** co-managed by government, research institutions, and cultural partners to ensure affordable access for Canadian creators and innovators.
- 4. Mandate "Canadian Jurisdiction Only" clauses in federal AI procurement. Require that any contract involving cultural content or AI projects stipulate that data storage and model inference occur on Canadian-owned cloud infrastructure, preventing inadvertent data transfer to foreign providers. Further condition cultural procurement and grants on the use of Canadian-hosted compute (where possible), open metadata and FAIR+ compliance, and licensing that ensures reuse for public benefit.

Regulation

Context

The cultural and creative industries are among the first to experience Al's transformative effects—both as a creative tool and as a source of risk to jobs, rights and intellectual property. In the Hub's survey, the intersecting issues related to regulation—which included IP, legal protections against copyright infringement and the development of ethical standards for Al training and usage—ranked as the top priority for the creative industries. In written responses to what types of training creative practitioners could benefit from, knowledge of the ethics and potential risks of developing and using Al tools ranked alongside hands-on training as the top areas for learning.

For many working in the sector, safe adoption requires ethical co-development, data transparency, respect for creator rights and cultural diversity. Respondents identified a range of priorities for AI safeguards in the creative industries. The most commonly proposed measures include:

- Labelling or disclosure when content has been created or altered by AI
- Standards to protect creators' rights when their work is used to train AI systems

- Rules to limit the environmental impact of AI computing systems and transparency from AI developers about how their systems are built and what data they use
- Clear rules on who owns AI-generated content and how it can be used

Transparent data provenance is an essential step in ensuring safe adoption and tools development for the future. There has been strong consensus from interest holders engaged in the Hub's work that AI training and tools development must respect copyright. Those interest holders have also shared that Text and Data Mining (TDM) should remain subject to the Copyright Act, and that licensing creative works for TDM or other AI development purposes must be voluntary.

The sector is already developing strategies to help address the complexities of such an approach. In the music sector, <u>SOCAN's AI Principles</u> requires developers to notify creators when their works are used for training and to compensate them accordingly. Several reports (including from Culturepédia and the CDCE) stress that AI systems should report exactly which cultural works were ingested, enabling creators to assess impact and claim remuneration. Meanwhile, organizations like 221A are prototyping tools to help address these concerns: their Node Library attaches a persistent identifier and a ledger entry to cultural artefacts, thereby allowing rights holders to audit downstream exploitation in real time.

Creators, creative business owners and cultural practitioners at large can serve as co-developers of AI systems; they need not only be end-users. One of the key opportunities for collaboration with creative practitioners comes in helping to support ethical co-design; programs like the MOD Lab's Radium AI and Art Residency leverage artists and creatives' experience and expertise to help test and interpret new technologies, identify risks and model community-centered data stewardship. These experiments show that when artists are involved early in design and governance, AI tools become safer, more inclusive and more socially attuned.

Recommendations

- 1. **Embed culture within federal AI governance structures**, positioning cultural institutions as essential partners in developing and stress-testing responsible AI frameworks.
- 2. **Create a national AI Content Registry:** Create a provenance logging service (blockchain compatible) where cultural institutions register works and automatically receive notifications when an AI developer requests access.
- 3. Earmark public compute resources for cultural research: Vertically integrated public compute platforms, such as NAIRR, must be openly accessible to the cultural sector. The US NAIRR pilot provides researchers with AI infrastructure—compute, datasets, models, software and platforms—by pooling government and non-government resources.
- 4. Mandate model cards that disclose data sources, bias mitigation measures and licensing status.
- 5. **Invest in artist-technologist residencies** and co-development programs within national labs and cultural institutions to model ethical, community-centered innovation.

Skills, Training & Education

Context

In order for Canada's AI strategy to be successful, it needs to include a national, cross-disciplinary AI education and training strategy. This strategy should, according to interest holders, support AI literacy across K-12 schools, post-secondary institutions and professional sectors, including the cultural sector and creative industries. In roundtables and in its survey, the Hub has consistently recorded calls for a multi-layered, collaborative approach that can bring together academia, the cultural sector and creative industries, government and tech to prepare every Canadian (and especially young creators) to understand and assess the utility of new AI tools and technologies, and harness their power to remain competitive in an evolving job market.

Understanding Al's biases, its environmental costs and its impact on workers is essential for Canadians. Public acceptance and adoption of Al hinges on transparency, accountability and the ability of citizens to understand and shape the technology. To date, the environmental impacts of Al development and the exploitation of creative work in the training of new Al tools has eroded trust between many creatives and the technical sector, and/or the tools it develops. Education is a fundamental first step in addressing that mistrust: as one respondent to the Hub's survey put it, cross-industry training and educational programs can help "demystify" Al and support creatives and other professionals to "move past fear and promote responsible adoption." These programs have already started to be developed; see, for example, Athabasca University with Ethically Aligned Al's Al Ethics micro credential, which equips cultural managers with risk assessment tools and has already been adopted by several heritage institutions.

According to the Hub's survey, hands on, practical education on AI tools remains a top priority for those looking for AI training and skills development in the creative sectors. Respondents identified creative problem solving, collaboration/teamwork and gaining fluency with emerging technologies as the most important skills they need to develop to creative and technical competencies to thrive in the current technological ecosystem.

The National Network of Canadian Art and Design Universities, including OCAD U, Alberta University of the Arts, Emily Carr University of Art and Design and NSCAD University, is well positioned as a key partner in advancing Canada's creative economy and its successful future. They not only train the next generation of artists and designers but also provide credentialed upskilling for professionals at all points in their careers. Further, with dozens of guilds, associations and National Arts Service Organizations (NASOs) as potential partners in knowledge mobilization, the cultural sector and creative industries are well poised to play an active role in preparing Canada's workforce for the future.

Recommendations:

- 1. **Develop and launch a National AI Literacy Strategy** that spans K-12, post-secondary education and lifelong learning. The strategy should be co-designed with artists, educators and cultural organizations to ensure it is accessible, engaging and relevant to the creative economy.
- 2. Establish a National Al Literacy Program for the Creative Economy: Alongside Canada's national network of art and design universities, co-develop and deliver a specialized Al Literacy Program that can be delivered across schools, post-secondary

- institutions and professional sectors, with modules focused on ethics, safety, cultural rights and creative applications of AI.
- 3. Support Creative Public Education Campaigns: Fund public-facing education campaigns that use the arts, storytelling and participatory media to help Canadians understand AI systems, their opportunities and their societal implications.
- 4. Create a Cultural AI Advisory Council: Establish a permanent Cultural AI Advisory Council, with shared responsibility between the Innovation, Science, and Economic Development (through the Office of the Minister of Artificial Intelligence and Digital Innovation) and Canadian Heritage & Identity. The council should include representatives from music, publishing, film, Indigenous cultural organizations and academic AI ethics centers.
- 5. Require Cultural Impact Assessments (CIA): Mandate Cultural Impact Assessments for any AI system that processes or generates cultural data. Similar to environmental assessments, CIAs would evaluate impacts on creators' livelihoods, cultural diversity and Indigenous rights before public funding or deployment approval.
- 6. Create a Cultural AI Fellowship: Launch a Cultural AI Fellowship program to train Indigenous and marginalized creators in AI tools and creative innovation, ensuring diverse voices actively shape Canada's cultural and technological future.