



THE IMPACT OF ARTIFICIAL INTELLIGENCE on Canadian authors & publishers

Canadian authors & publishers ...

- Publish over **12,000 books per year** in print, digital and audio formats.
- Export to **100+ markets** around the world.
- Make up a **\$1.6 billion industry**.
- Create **Canadian-specific literature and learning resources**, including books by **Indigenous writers and in Indigenous languages**.
- Contribute to building a **more empathetic, inclusive, educated, and democratic Canada** through their publications.



Canadian content is being used without consent

- **The book industry depends on copyright**, which enables authors and publishers to **license their works for use across multiple markets**, including foreign rights, education, theatre, film, television, and digital.
- Books are among the **highest-value content** for training generative AI.
- Large language models have already been **trained using stolen Canadian-authored and Canadian-published content**.
- **Thousands of Canadian books** appear in the **pirated shadow libraries** used **without permission or compensation** by technology corporations like Meta, OpenAI, and Anthropic.¹
- **Counterfeit, AI-generated works** are competing with **human-created publications** in the marketplace. This illegal competition is a scourge that **usurps the identities of human creators, deprives them of income, and misleads book buyers**.
- Companies in Canada, the U.S., and elsewhere are facing **legal action for unauthorized use of copyrighted works**. Anthropic's recent **\$1.5 billion settlement** in the U.S. underscores the quantifiable value of the works AI depends on for its development.



Promote a fair, safe and ethical AI ecosystem in Canada

- **Ensure AI developers comply with Canadian law.**
- **No new exceptions to the Copyright Act.**
- **No compulsory licensing regime for text and data mining (TDM).**
- **Foster a market for voluntary TDM licensing.**



¹ Reisner, Alex. "The Unbelievable Scale of AI's Pirated-Books Problem." *The Atlantic*. March 20, 2025.

² Reuters, Thomas. "Anthropic agrees to pay \$1.5B US to settle author class action over AI training." *CBC*. September 5, 2025.

The Canadian book industry's RECOMMENDATIONS ON AI REGULATION

Generative artificial intelligence poses both opportunities and uncertainties for the creative industries, particularly the writing and publishing sector. **In the absence of a clear legal framework regulating AI, the livelihoods of authors and publishers are at significant risk.**

The unauthorized use of works of Canadian creators and publishers has been integral to the development of Big Tech's large language models (LLMs), but rightsholders have not yet shared in the rewards. Just as AI companies expect their intellectual property to be protected and monetized, so too must creators be assured that their work is valued and fairly compensated. The absence of a functioning licensing market for AI training means that creators and publishers are losing out on significant economic opportunities and revenues that could otherwise **sustain Canadian jobs, investment in new works, and the long-term health of the cultural sector and Canada's digital sovereignty.**

Legal cases in Canada, the United States, and elsewhere are beginning to test whether the use of copyrighted works for AI training constitutes infringement. The outcomes are unsettled and case law will take years to evolve. This is no reason for government inaction. Legislators have both the power and the responsibility to act now, setting a proactive framework rather than waiting for courts to catch up. **Eighty-five per cent of Canadians agree: governments must regulate AI tools to ensure their ethical and safe use.**¹

Canadian creators and publishers are ready to help Canada establish itself as a leader in artificial intelligence. With a robust copyright framework and prudent AI regulation, Canadian content can power AI innovation on Canadian terms.

To promote a fair, safe and ethical AI ecosystem, Canada's book industry recommends:

- ▶ **Ensure AI developers comply with Canadian law.** Government must act swiftly to introduce legislation that will ensure safe, legal, and ethical AI development. To do so, Canada must better encourage the licensing market for AI technology companies and require transparency obligations and policies, respect for the rule of law – including copyright – and labeling of content generated or modified by AI in line with international best practices.
- ▶ **No new exceptions to the Copyright Act.** AI companies expect their intellectual property will be protected. Creators expect the same. There is no good public policy reason to weaken copyright protection for the convenience of Big Tech. Canadian creators deserve a copyright framework that allows them to opt-in to their works being used for TDM purposes, through individual or collective licences.
- ▶ **No compulsory licensing regime for text and data mining (TDM).** If an author or publisher determines that licensing for TDM activities undermines their work, they must maintain their right to say “no.”
- ▶ **Foster a market for voluntary TDM licensing.** A marketplace for responsible AI licensing is emerging as a best practice in Canada and around the world. Reasonable AI regulation, including reasonable transparency requirements for AI developers, will lead to more reliable GenAI and a stronger cultural sector.

With the right framework, Canada can lead in building an AI ecosystem that is fair, innovative, and sovereign—one that protects culture, sustains jobs, and delivers long-term prosperity.

Stand up for Canadian digital sovereignty. Level the playing field between Big Tech and Canadian authors and publishers.

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¹ “Views on Artificial Intelligence: A Survey of Canadians.” *Leger*. August 25, 2025.