



**Brief Submitted for the Pre-Budget Consultations
in Preparation for the Next Federal Budget**

By the Coalition for the Diversity of Cultural Expressions

May 22, 2026

Summary of Recommendations

Recommendation 1: That the government renew the budget increase allocated to the Book Fund in 2024, which is set to expire in March 2027 (as it did last year for the audiovisual and music sectors), and that it remain attentive to the sector's requests in order to ensure its long-term financial stability.

Recommendation 2: That the government swiftly amend the *Copyright Act* to fulfill its commitment to establish an artist's resale right, so that members of Canada's visual arts community may benefit from future sales of their works.

Recommendation 3: That the government preserve its cultural sovereignty, as well as the general cultural exemption clause in the Canada-United States-Mexico Agreement (CUSMA).

Recommendation 4: That the government implement a strategy aimed at developing sovereign Canadian artificial intelligence (AI) grounded in the principles of authorization, remuneration and transparency (ART) by:

- Making a firm and explicit public commitment to maintain a *Copyright Act* based on the prior and unequivocal authorization of rights holders, and not to amend it to introduce an exception for text and data mining;
- Supporting the development of a licensing market and copyright-respecting solutions that ensure remuneration for rights holders;
- Adopting measures imposing transparency obligations, including the disclosure of content used to train AI systems and the identification of AI-generated content.

Recommendation 5: That the government amend the *Copyright Act* to clarify fair dealing for educational purposes.

Recommendation 6: That the government amend the *Copyright Act* to make the private copying regime technologically neutral for the benefit of rights holders in the music sector.

Presentation of the CDCE

For 25 years, the [Coalition for the Diversity of Cultural Expressions](#) (CDCE) has carried the collective voice of Canada's cultural sector, representing both the English- and French-language markets. It brings together more than 50 organizations, representing over 350,000 creators as well as 3,000 cultural enterprises across the country.

The Coalition develops consensus-based positions on a range of issues affecting the economic health of the cultural sector and the vitality of creation in trade agreements and in the digital environment, while ensuring that Canadian public policies actively protect and support our cultural ecosystems.

Our work is grounded in the [2005 UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions](#). Canada, alongside civil society, played a decisive role in its adoption and was in fact the first country to ratify it. Twenty years later, this commitment remains essential.

Context

In [2024](#), Canada's cultural sector contributed \$65 billion to the national economy and supported 1.1 million jobs across the country, demonstrating its considerable economic and social importance. However, the value of culture extends far beyond these indicators: culture contributes to collective well-being, fosters a sense of belonging that is particularly vital in times of uncertainty, and promotes internationally the values that define Canada.

Canada's cultural sector is facing major geopolitical, economic and technological challenges that require strong and coordinated political action. In this regard, a recent [survey](#) conducted by the Canadian Media Producers Association (CMPA) found that 73% of Canadians believe the federal government should firmly maintain its positions on cultural policy and digital sovereignty, even in a context of increased pressure from our main trading partner.

The CDCE calls for clear and structural commitments from the government to strengthen the economic viability of Canada's cultural sector.

Direct Support for Creation and Cultural Industries

In 2024, the Government of Canada [announced](#) a temporary increase of \$10 million per year over three years to the Canada Book Fund. This increase constituted a commitment made by the Liberal Party of Canada in its 2021 electoral platform, although the party had pledged to double the Fund's budget envelope. This funding is set to expire in March 2027; its renewal and expansion are essential for a sector already weakened by multiple challenges.

- **Recommendation 1:** That the government renew the budget increase allocated to the Book Fund in 2024, which is set to expire in March 2027 (as it did last year for the audiovisual and music sectors), and that it remain attentive to the sector's requests in order to ensure its long-term financial stability.

Unlike their counterparts in more than 90 countries, Canadian visual artists are not compensated for the resale of their works on the secondary market. The federal government has recently acknowledged the need to address this situation, expressing on two occasions — in the [2024 Fall Economic Statement](#) and again in the November [2025 federal budget](#) — its intention to establish an artist's resale right that would allow visual artists to receive royalties when their works are resold. However, this measure has still not been implemented.

- **Recommendation 2:** That the government swiftly amend the *Copyright Act* to fulfill its commitment to establish an artist's resale right, so that members of Canada's visual arts community may benefit from future sales of their works.

Protecting Culture in Trade Agreements, Particularly in the Context of the CUSMA Review

The general cultural exemption clause constitutes a fundamental pillar of Canada's cultural sovereignty, ensuring that the government retains the flexibility necessary to design and implement policies and measures tailored to its linguistic, social and economic realities, including in the digital environment. In the context of the first joint review of the Canada-United States-Mexico Agreement (CUSMA), and at a time when pressure from the U.S. administration regarding Canadian online broadcasting policies is intensifying, maintaining this exemption is essential.

- **Recommendation 3:** That the government preserve its cultural sovereignty, as well as the general cultural exemption clause in the Canada-United States-Mexico Agreement (CUSMA).

Incorporating ART Principles into the Development of a Legislative Framework on Generative AI

The *Copyright Act* grants rights holders exclusive rights that apply regardless of the technology used. However, at present, generative AI systems rely extensively on the use of copyrighted content, without adequate mechanisms for authorization, remuneration, or transparency for rights holders. It is therefore essential that any regulatory framework on artificial intelligence ensure respect for these principles.

- **Recommendation 4:** That the government implement a strategy aimed at developing sovereign Canadian artificial intelligence (AI) grounded in the principles of authorization, remuneration and transparency (ART) by:

- Making a firm and explicit public commitment to maintain a *Copyright Act* based on the prior and unequivocal authorization of rights holders, and not to amend it to introduce an exception for text and data mining;
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Longstanding Commitments to the Cultural Sector at No Cost to the Government

Since the introduction in 2012 of “education” as a permissible purpose under fair dealing, several educational institutions outside of Quebec have adopted practices that encourage the non-remunerated reproduction of copyrighted works. This situation has led to a significant decline in revenues for rights holders, particularly affecting the book publishing sector. In its [2022 budget](#), the Government of Canada committed to ensuring fair remuneration and supporting the sustainability of the educational book publishing industry. However, this measure remains outstanding.

- **Recommendation 5:** That the government amend the *Copyright Act* to clarify fair dealing for educational purposes.

Canada’s private copying regime no longer reflects current usage patterns. Limited to recordable CDs, now largely obsolete media, it does not adequately compensate rights holders in the era of digital music consumption. In the absence of technological neutrality, the regime cannot adapt to evolving practices, resulting in a continuous erosion of royalties. This lack of technological neutrality stands in contrast to several other countries where mechanisms adapted to contemporary devices and formats have been implemented.

- **Recommendation 6:** That the government amend the *Copyright Act* to make the private copying regime technologically neutral for the benefit of rights holders in the music sector.