The *Artificial Intelligence and Data Act* (AIDA)

The AIDA is proposed as part of Bill C-27, *An Act to enact the Consumer Privacy Protection Act, the Personal Information and Data Protection Tribunal Act and the Artificial Intelligence and Data Act and to make consequential and related amendments to other Acts*, which is currently before Parliament

Purpose

1. To regulate international and interprovincial trade and commerce in AI systems by establishing common requirements applicable across Canada for the design, development and use of those systems; and

2. To prohibit certain conduct in relation to AI systems that may result in serious harm to individuals or harm to their interests

Scope

The AIDA will apply to persons carrying out a "regulated activity." A regulated activity includes, in the course of international or interprovincial trade and commerce:

a. processing or making available for use any data relating to human activities for the purpose of designing, developing or using an artificial intelligence system;

b. designing, developing or making available for use an artificial intelligence system or managing its operations

✓ Requirements

(Persons may have responsibilities under more than one of the five categories below)

Persons who carry on regulated activities:
- Establish measures with respect to the manner in which data is anonymized
- Establish measures with respect to the management of anonymized data
- Keep prescribed records

Persons responsible for AI systems:
- Assess whether a system is high-impact*

Persons responsible for high-impact AI systems:
- Establish (and moderate compliance with) measures to identify, assess and mitigate risks of harm and bias

Persons who make available for use a high-impact system must publish on a website:
- The system's intended use
- Content the system intends to generate
- Mitigating measures
- Other prescribed information

Persons who manage the operation of a high-impact system must publish on a website:
- How the system is used
- Types of content generated
- Mitigation measures
- Other prescribed information

Enforcement

Powers of the Minister responsible for administering the AIDA include:

- Order-making powers

- Ability to disclose information, including to designated analysts, the Privacy Commissioner, the Commissioner of Competition, the Canada Radio-television and Telecommunications Commission, and other prescribed entities.

- Publish, on a publicly available website, information (less confidential business information) about a contravention

- Publish, on a publicly available website, information (less confidential business information) about an AI system that the minster has reasonable grounds to believe presents a serious risk of imminent harm or is essential to prevent the harm

Penalties

Contraventions of the AIDA may generally result in:
- Administrative monetary penalties (AMPs) of as much as as 3% of global revenue or

C $10 million

Commission of offences under sections 38 or 39 of the AIDA may result in:
- Administrative monetary penalties (AMPs) of as much as 5% of global revenue or

C $25 million

- Imprisonment of individuals

Contacts

Antoine Guilmain
Associate Counsel
Montréal
📞 +1 514-392-9521 Ext 69521
✉ antoine.guilmain@gowlingwlg.com

Michael Walsh
Associate
Ottawa
📞 +1 613-786-0127
✉ michael.walsh@gowlingwlg.com

Wendy Wagner
Partner
Ottawa
📞 +1 613-786-0213
✉ wendy.wagner@gowlingwlg.com

Marc-Antoine Bigras
Associate
Montréal
📞 +1 514-392-9563
✉ Marc-Antoine.bigras@gowlingwlg.com

Related Insights & Resources

Our experienced global cyber security and data protection team has prepared a variety of thought leadership on privacy changes in Canada, which may be relevant to your business. Click on the links below to learn more about the various requirements in relation to Bill C-27

- Canada's proposed privacy law moves to second reading in the House of Commons
- Canadian privacy laws: New rules for a new era
- Bill C-27: Canada reintroduces sweeping changes to federal privacy law, proposes new AI legislation
- Bill C-27: A deeper dive into Canada's proposed *Artificial Intelligence and Data Act*

*NOTE: "high-impact system" is not defined in the AIDA, and will be defined later by regulation