



# Prompting Productivity: Generative AI Adoption by Canadian Businesses



Canadian  
Chamber of  
Commerce

Chambre de  
Commerce  
du Canada



Business  
Data Lab

Laboratoire de données  
sur les entreprises

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# Overview and key findings



# Overview

Generative artificial intelligence (Gen AI) can help address one of the greatest economic threats to Canadian prosperity and living standards: low productivity. At the Canadian Chamber's Business Data Lab (BDL), we've been keeping a close eye on Gen AI adoption, knowing that the possibilities presented by this technology will have major implications for businesses, workers and Canada's economic future. And now, we're happy to present this report that takes a deep dive into Gen AI adoption by Canadian businesses.

In *Prompting Productivity*, we highlight the value Gen AI is creating for Canadian businesses and provide breakdowns of early Gen AI adoption by geography, industry, business size and age. We forecast when Gen AI adoption is likely to reach a tipping point and how much it could add to Canadian productivity. We also discuss barriers that hold businesses back from adopting Gen AI and conclude by offering concrete recommendations for businesses and policymakers to accelerate Gen AI adoption.

Altogether, this report constitutes a novel, holistic and actionable examination of the state of Gen AI use by businesses in Canada, as well as the technology's potential to prompt productivity growth for the benefit of all Canadians. We hope that business leaders and policymakers alike will use these insights to ensure Canada's competitiveness and prosperity doesn't fall further behind the world's amidst this time of rapid economic disruption.



Patrick Gill, Senior Director of Operations and Partnerships  
Business Data Lab

# Key findings



## Context

- With global interest in Gen AI exploding, Canadian businesses need to move fast to gain a competitive advantage over global competitors. Gen AI's potential as a transformative new general-purpose technology that is becoming more accessible and widely applicable for many types of businesses leaves little excuse for Canadian businesses to sit on the sidelines.
- Canada's lagging productivity and global competitiveness challenges have recently led the Bank of Canada to raise alarm bells, declaring the situation an "emergency". For reference, Canada's labour productivity only increased by an annual average rate of just 0.9% over the past decade. Canada is now the second least productive country in the G7.
- Low business investment has been identified as a key reason for Canada's weak productivity, with business investment in non-residential structures and machinery and equipment approaching a 20-year low.
- Low productivity and business investment puts Canadians' prosperity and living standards at risk. Canada's GDP per capita is now significantly below the United States and the OECD average.
- By making workers more productive, Gen AI represents a generational opportunity to prompt productivity gains for Canadians. It can do this by accelerating and automating many low-value, laborious tasks at little cost, freeing up workers to focus their time on higher-value-added activities.
- Gen AI also has the potential to overcome historic business investment barriers, such as limited financial resources and high up-front costs.

# Key findings



## Gen AI adoption

- Roughly 1 in 7 Canadian businesses (14%) are early Gen AI adopters. These innovators are found within every Canadian industry and region.
- Early Gen AI adopters are more likely to be larger businesses, industries with highly educated workers, exporters or emerging enterprises.
- On its current trajectory, Gen AI adoption by Canadian businesses could reach a tipping point in the next 3 to 6 years, which is likely too slow to keep pace with global competitors.
  - Using two illustrative adoption scenarios (“slow” and “fast”), the BDL projects that Gen AI adoption by Canadian businesses may reach a “tipping point” (i.e., 50% adoption rate across businesses) in the next 3 to 6 years. By comparison, Canada’s historic level of AI use by businesses (3 to 5%) ranked it mid-pack among OECD countries.
  - Nonetheless, Canada remains relatively well positioned to benefit from AI over the coming decade. According to Capital Economics, Canada is ranked 9th out of 33 countries to benefit from AI.
  - The factor of “trust” will be important for adoption. Public interest and acceptance of AI tend to be positively correlated with a country’s business adoption rates. Global interest in AI has spiked. According to Google Trends, public interest in AI has increased most quickly in Indo-Pacific countries. Canada currently ranks 23rd out of 68 countries for search interest in AI. Moreover, global IPSOS surveys reveal that Canadians are less knowledgeable and more nervous about AI than citizens of most other countries.
- Depending on the rate of adoption, Gen AI could grow Canada’s productivity between 1% and 6% over the next decade.

# Key findings



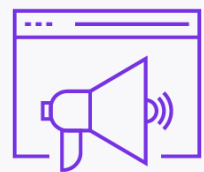
## The value of Gen AI

- The early business adopters of Gen AI see great value in its applications and believe the technology can significantly enhance their productivity and competitiveness.
- Interestingly, replacing workers is not the primary driver of adoption, with only 1 in 8 businesses (13%) that use Gen AI cite its value for replacing employees.
- Most businesses using Gen AI indicate they are predominately looking to accelerate content creation (69%) and automate work without job cuts (46%).



## Barriers to adoption

- Almost 3 in 4 Canadian businesses (73%) have not considered using Gen AI yet.
- Roughly 3 in 10 Canadian businesses cite hiring skilled employees and access to finance as top challenges they face in adopting new technologies, including Gen AI.
- On the face of it, most Canadian businesses should not have a problem piloting Gen AI in some form. With Gen AI becoming increasingly accessible and widely applicable for many business applications, there is little excuse for Canadian businesses to sit idly on the sidelines.
- Public interest and perception of the technology are likely additional major barriers to adoption by businesses.



## Recommendations

- Businesses and governments have practical options for accelerating the adoption of Gen AI in Canada. These include building trust in the technology by educating workers on its added-value uses, upskilling workers and fostering a sense of urgency to experiment.

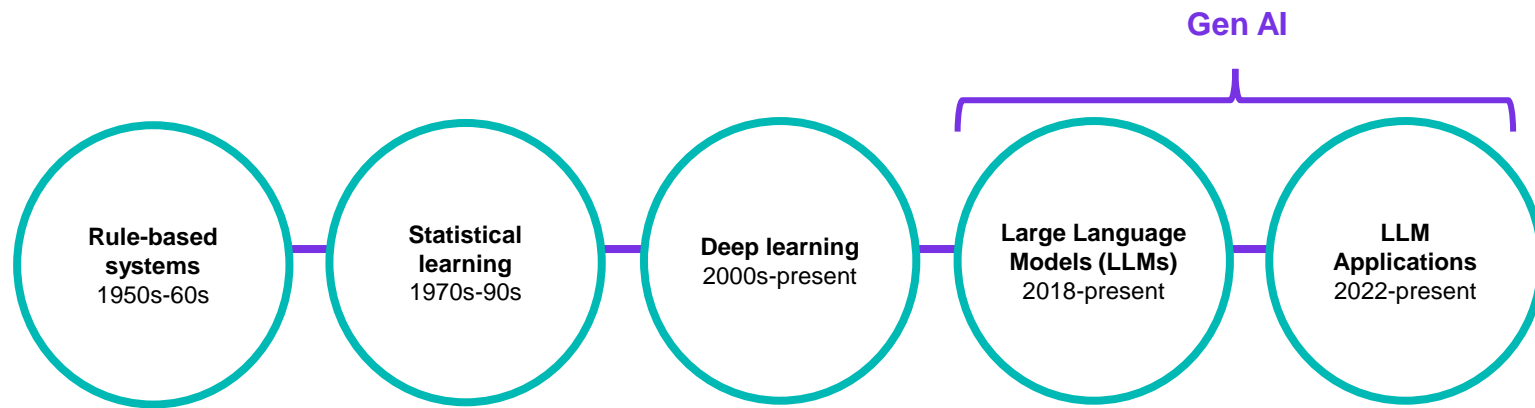
# Defining Gen AI





# What is generative artificial intelligence?

- Artificial intelligence (AI) refers to technology that can perform tasks that typically require human intelligence, such as visual perception, speech recognition, language translation, etc.



- Originating in the 1950s, AI has now matured to the point where it has practical and cost-effective application for daily life.
- Generative AI (Gen AI) is a form of AI in which Large Language Models (LLMs) are trained with extremely large datasets to generate new original content based on natural language inputs.
- Using normal everyday language, Gen AI can respond to prompts by creating new outputs, including text, images, computer code and more.
- LLMs are foundational bases for many Gen AI applications. For instance, GPT-4 is an LLM, and ChatGPT is a chatbot application built on top of the model.
- For simplicity, the term Gen AI in this report refers interchangeably to LLMs bases and the practical applications built on top of them.

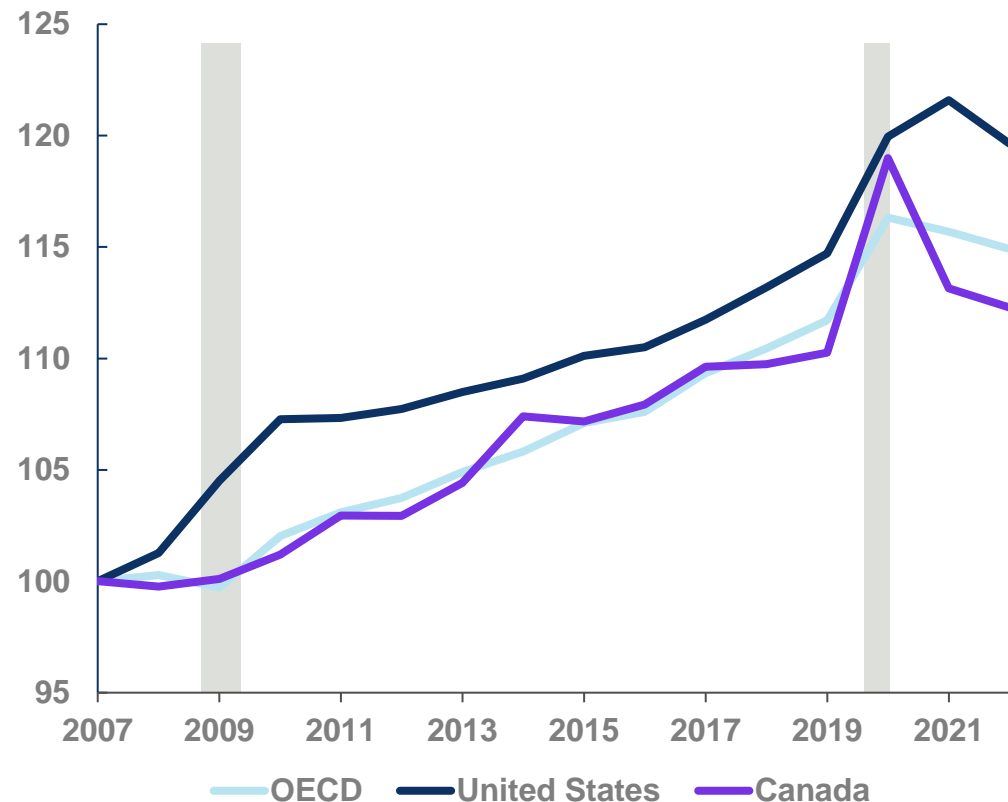
**Context: Canada's  
productivity  
problem**



# Canada's productivity lags other advanced economies and is in decline. Many hope Gen AI can prompt a positive change.

## Labour productivity

GDP per hour worked, with international counterparts



- Labour productivity is the amount of gross domestic product (GDP) created per hour worked. The more GDP created per hour, the higher a country's productivity.
- Productivity is closely linked to a country's prosperity and long-term standard of living (GDP per capita). Rising productivity improves wages, lowers prices and increases tax revenue to support public services.
- Canada's productivity not only lags many peer economies but has recently been in outright decline. The Bank of Canada has called the situation an "emergency." For reference, Canada's productivity only increased 0.9% annually over the past 10 years. Presently, Canada is the second least productive country in the G7.
- The reasons for Canada's low productivity include:
  - Weak competition within sectors.
  - Poor use of Canada's highly skilled workforce.
  - A larger share of small and less productive businesses.
  - Low levels of business investment in machinery and equipment (M&E) and research and development (R&D).
- **By making work more productive, Gen AI represents a significant opportunity to prompt productivity gains for Canada.** It can do so by accelerating and automating workers' low-value and laborious tasks at little cost, allowing them to focus their time on higher-value activities.

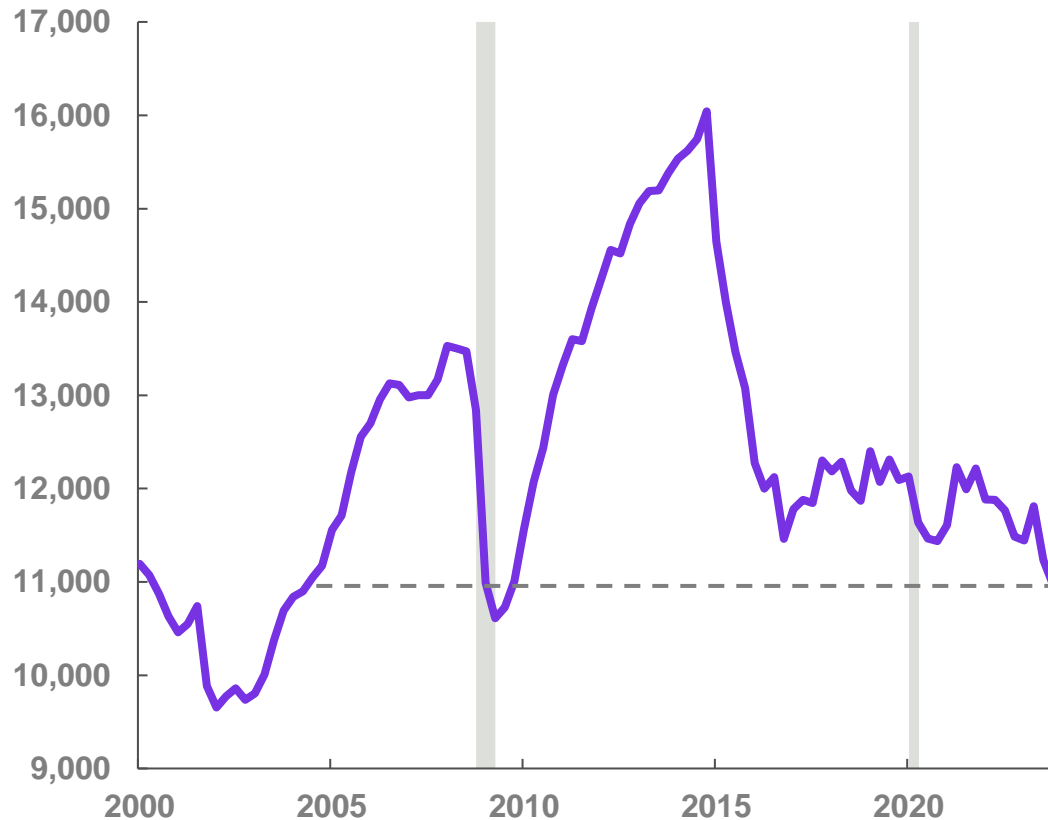
Sources: OECD, Business Data Lab analysis.

Notes: Index (2007 = 100). Constant US 2015 PPP dollars. Shaded areas are recessions.

# Low business investment is holding back Canada's productivity.

## Canadian business investment

Business investment per worker in non-residential structures and M&E



- After peaking in 2014, Canada's business investment per worker in non-residential structures and machinery and equipment (M&E) has fallen back to 2004 levels.
- Businesses are investing less than \$11,000 per worker, on average.
- This trend in business investment has caused the total business investment share of Canada's real GDP to shrink from its peak of 21% in 2014 to 17% in 2023.
- Among other factors, low business investment is holding back Canada's productivity.
- **Gen AI has the potential to overcome historic business investment barriers, such as a lack of financial resources.** The accessibility of Gen AI is growing rapidly. A plethora of open source options are available, while leading closed source options have significantly reduced in price in the past year.

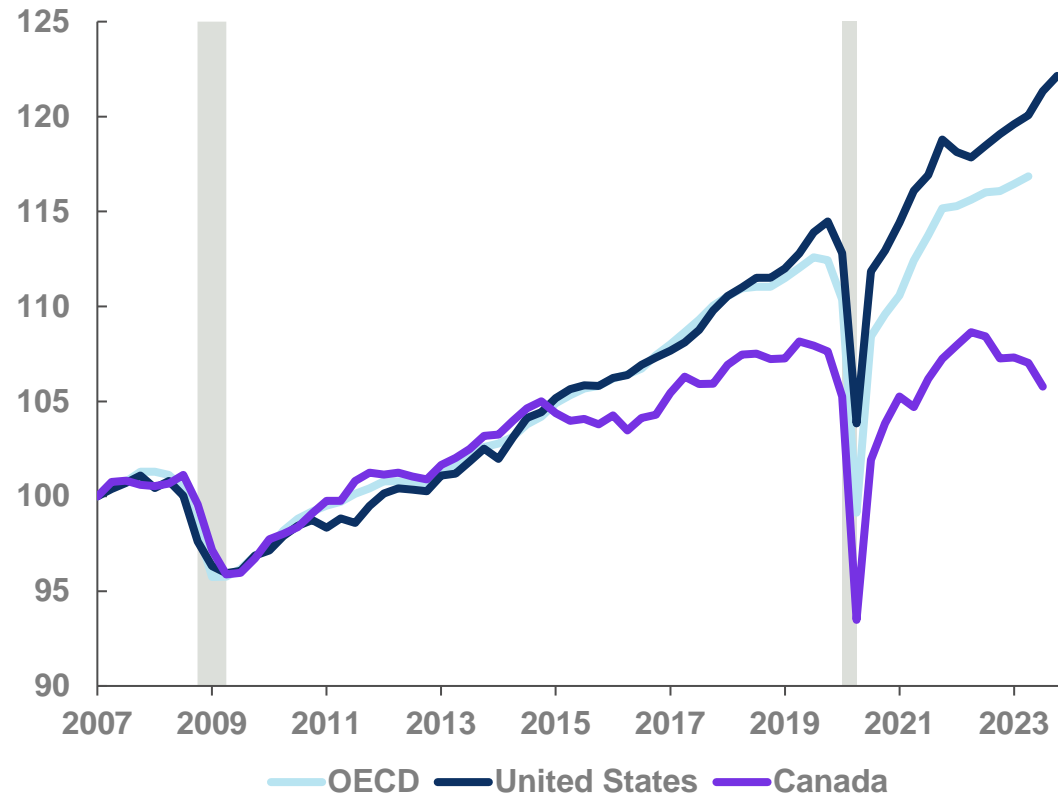
Source: Haver Analytics, Business Data Lab analysis.

Notes: Shaded areas are recessions. Investment data is chained to 2017 dollars.

# Low productivity and business investment put Canadians' prosperity at risk. Something needs to change.

## Standard of living

GDP per capita, with international counterparts



- GDP per capita is a common measure of a country's living standards. It takes the country's total economic output divided by the population. While not a perfect measure, it is a simple way of comparing the material prosperity of different countries.
- Low productivity and business investment, such as in Canada, can put a country's prosperity and standard of living at risk. Here's why:
  - If productivity is low, it means that workers are not producing goods and services efficiently. This can lead to lower wages for workers, less tax revenue for public services and potentially future jobs. Countries that are more productive become richer and more prosperous.
  - Similarly, business investment is crucial for a country's prosperity. Business's investment in technology boosts productivity and wages over time.
- Canadian businesses' international competitors are investing more, and that poses a great risk to Canadians' future prosperity.
- **Something needs to change. That is why the Canadian Chamber of Commerce is putting focus on Gen AI as a potential catalyst of productivity growth.**

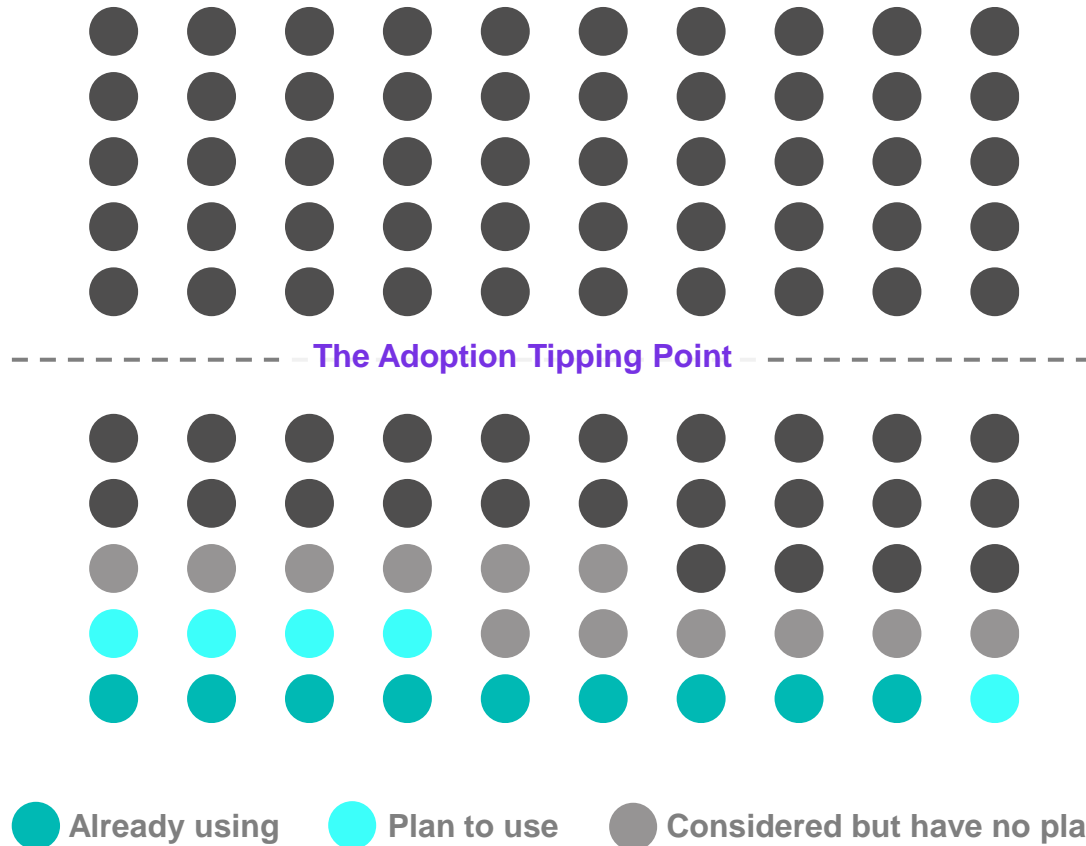
# **Who: Canada's early Gen AI adopters**



# Roughly 1 in 7 Canadian businesses (14%) are early Gen AI adopters.

## Use of Gen AI in Canada in 2024

% of businesses, by all industries

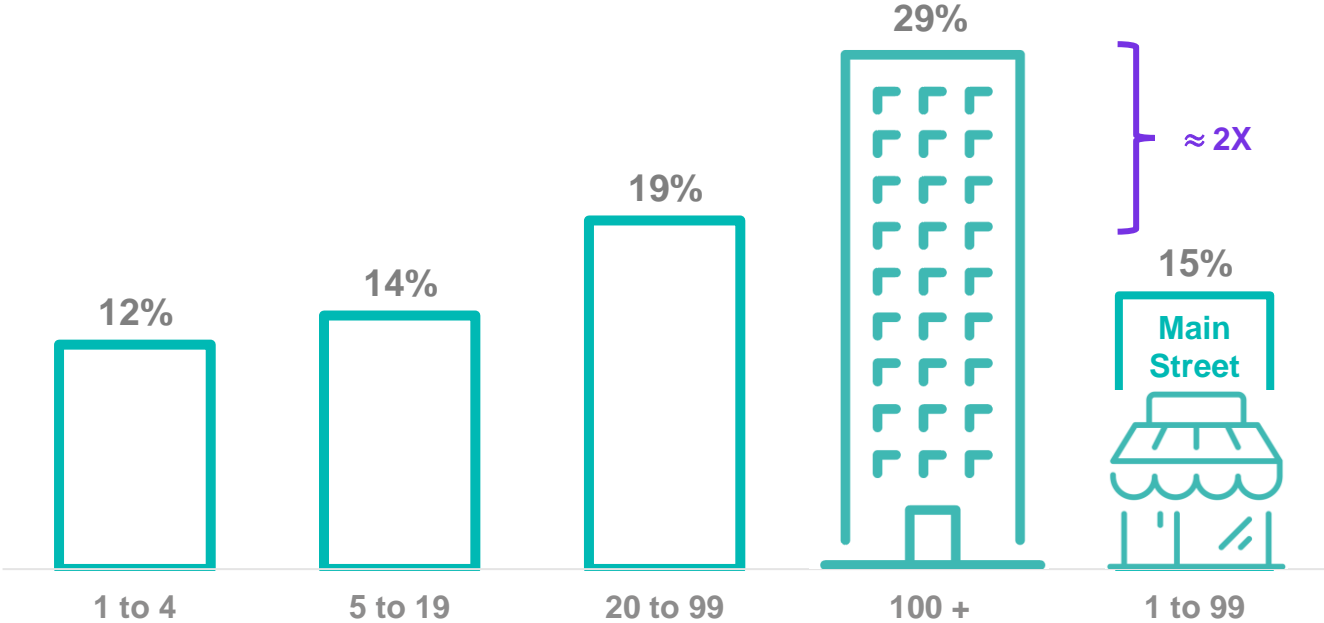


- In 2024, 14% of Canadian businesses are using Gen AI (9%) or have plans to use it soon (5%).
- A significant share of businesses in Canada, almost 3 in 4 (73%), have not considered using Gen AI.
- **Early adopters of Gen AI are more likely to be larger businesses, industries with educated workers, exporters or emerging enterprises.**

# As early adopters, larger businesses are taking an “innovate or die” approach, with close to 1 in 3 adopting Gen AI.

## Use of Gen AI in Canada in 2024

% of businesses by employment size that are “already using” and “plan to use”



- Business size plays a key role in Gen AI adoption. The larger the business, the more likely it is to be using Gen AI.
- **Larger businesses are nearly twice as likely to be using Gen AI as small businesses.**
- This is interesting, considering that larger businesses historically have expressed greater challenges with incorporating new technologies in their operations.

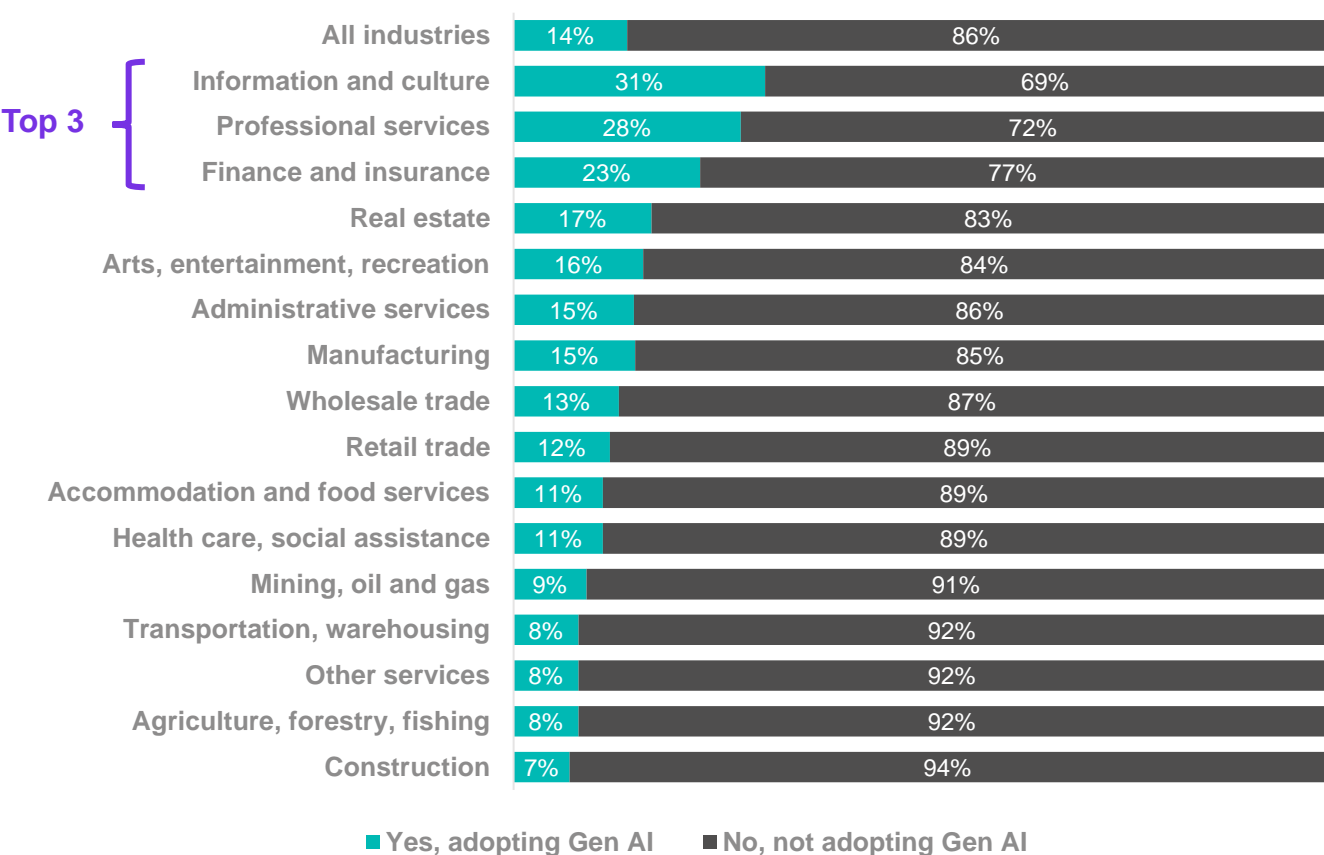
Source: Business Data Lab analysis based on Statistics Canada’s Canadian Survey on Business Conditions; 13,327 business responses in January and February 2024.  
Notes: Small businesses = 1 to 99 employees; larger businesses = 100 + employees



# While there are early adopters in every industry, information and culture, professional services and financial industries are well ahead of others.

## Use of Gen AI in Canada in 2024

% of businesses by industry that are “already using” and “plan to use”



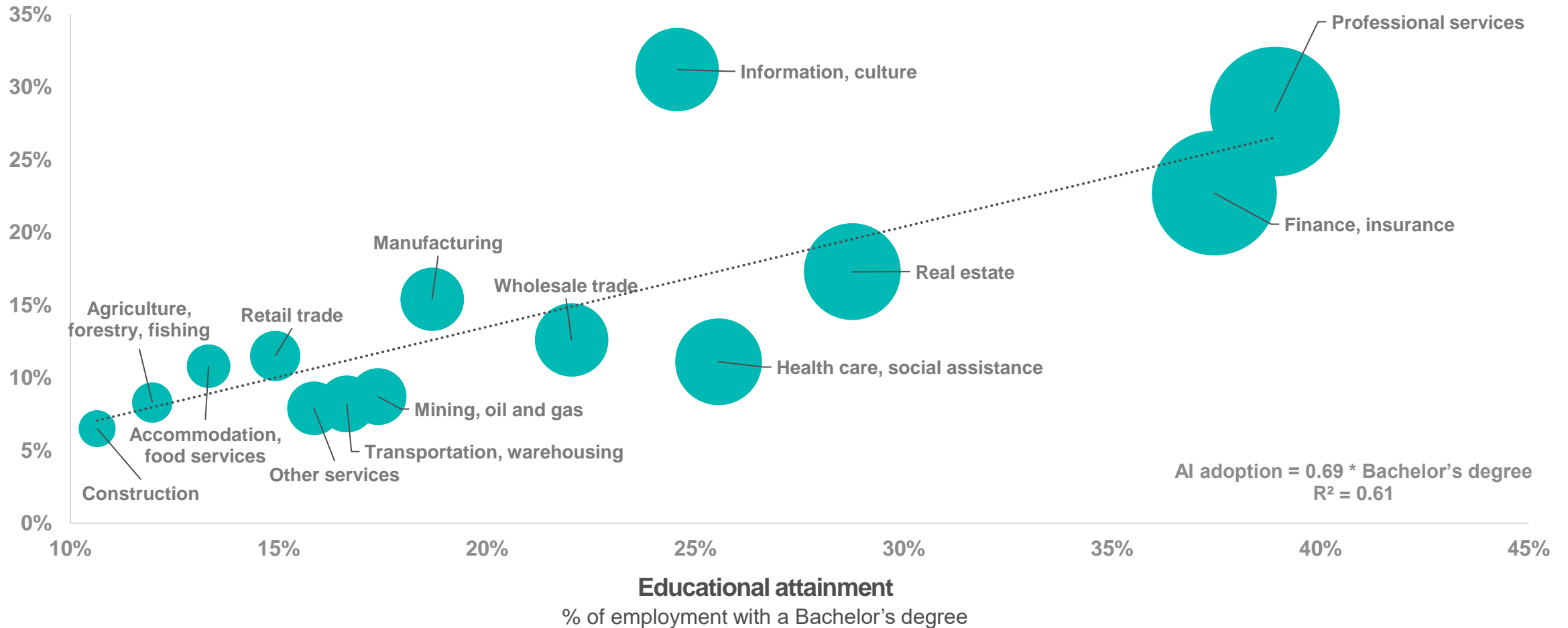
- The industry of a business is also a significant determinant of Gen AI adoption.
- Nearly one third of businesses in the information and cultural industry are adopting Gen AI. Businesses in professional services ranked second in terms of adoption (28%), followed by finance and insurance (23%).
- These top three industries historically have heavily integrated technology into their operations. They also have highly educated workers.

Source: Business Data Lab analysis based on Statistics Canada’s Canadian Survey on Business Conditions; 13,327 business responses in January and February 2024.

# Early Gen AI adoption is higher in industries with higher educational attainment.

## Use of Gen AI in Canada in 2024

% of businesses that are “adopting Gen AI”



Source: Business Data Lab analysis based on Statistics Canada data; Labour Force Survey and Canadian Survey on Business Conditions.

Note: The size of the bubble reflects the share of employment with a Bachelor's degree.

# More than one third of Canadian exporters (36%) are adopting Gen AI.

## Use of Gen AI in Canada in 2024

% of businesses by international activity that are “already using” and “plan to use”



**24%**  
of goods exporters  
are adopting Gen AI

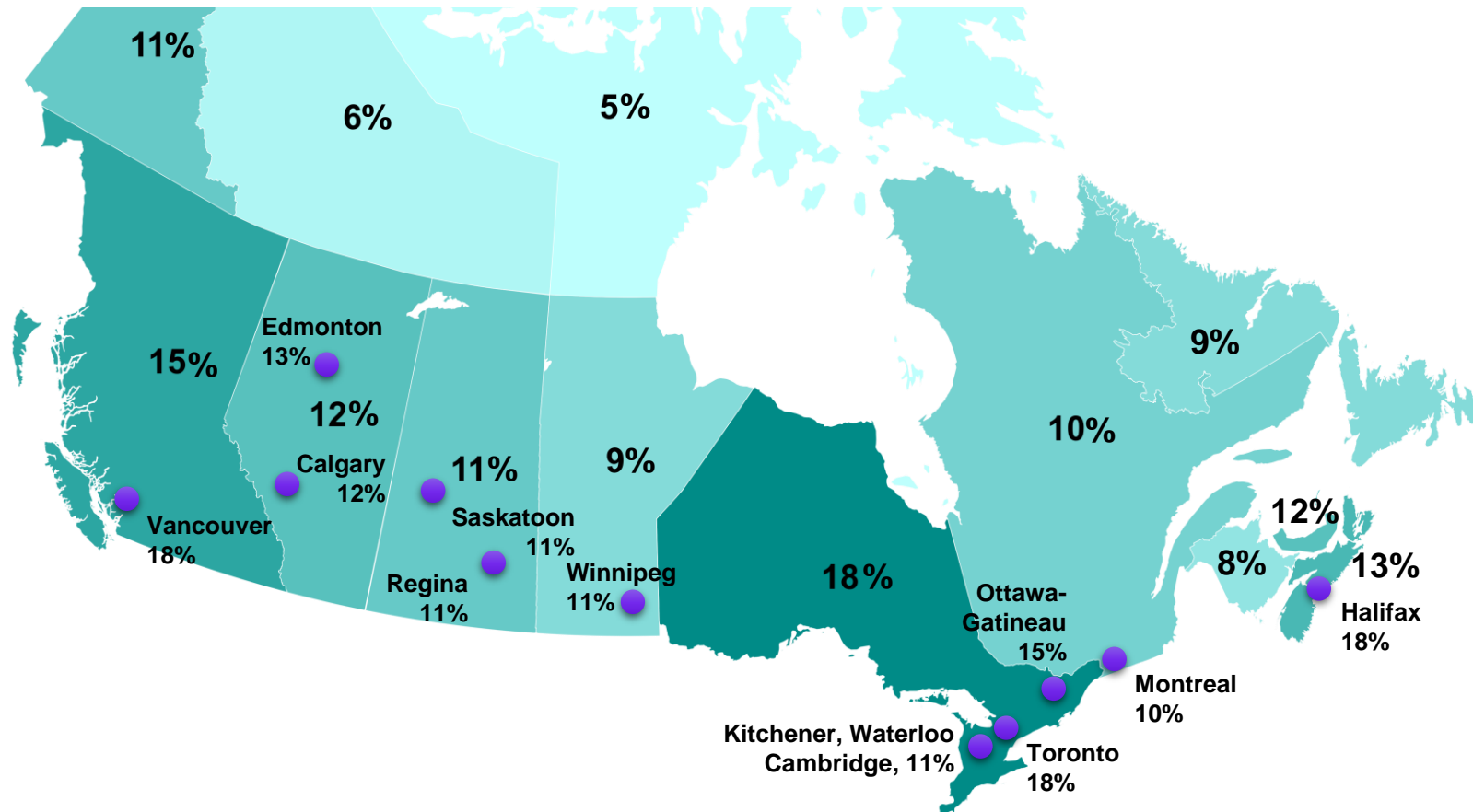
**48%**  
of service exporters  
are adopting Gen AI

- **A business’s international engagement is a significant determinant of its Gen AI adoption.**
- Canadian exporters are early-stage adopters of Gen AI. This is consistent with an extensive research base that shows exporters are generally more productive and innovative than their domestic counterparts.
- Exporters benefit from economies of scale and exposure to foreign markets’ best practices. In the case of Gen AI, search data shows that foreign markets are exploring Gen AI options at a higher rate than Canada.

# Early Gen AI adoption is strongest in Ontario, not Quebec where Canada's AI supercluster is based.

## Use of Gen AI in Canada in 2024

% of businesses by region that are "already using" and "plan to use"

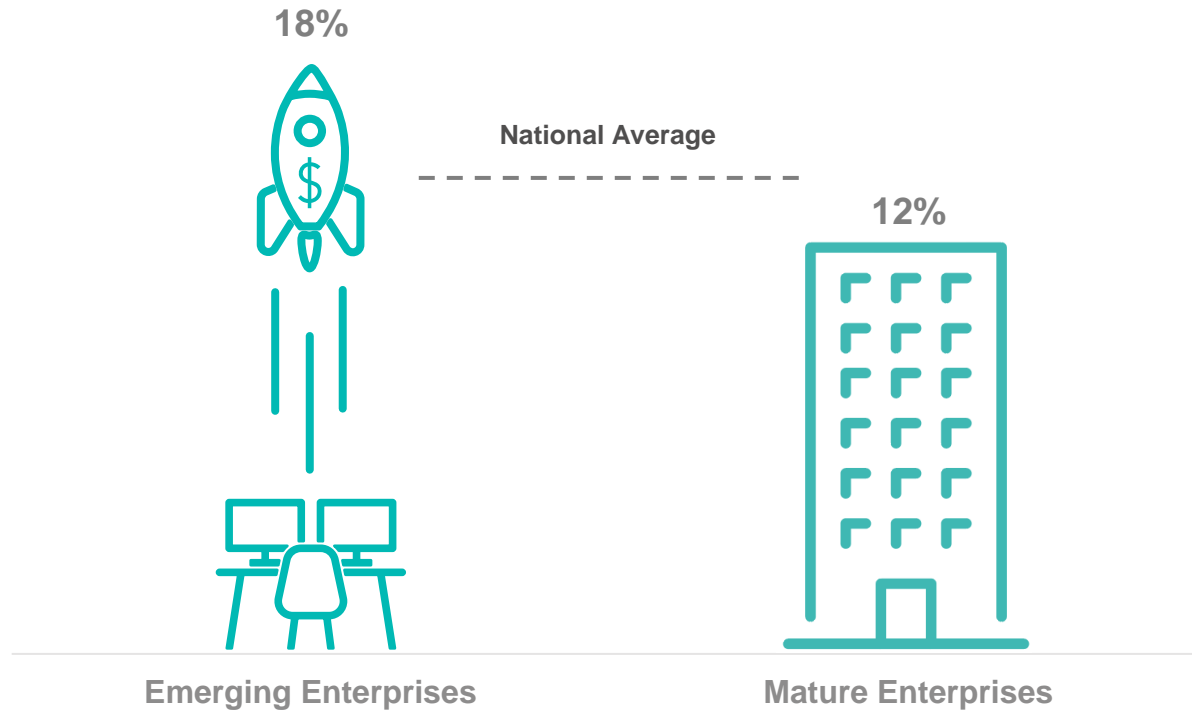


- Somewhat surprisingly, the presence of universities and institutions at the forefront of AI research did not guarantee a higher Gen AI adoption rate in a region in places such as Edmonton, Montreal and Waterloo.
- Higher rates of Gen AI adoption are likely attributed more so to a region's industrial composition (e.g., its concentration of early adopters such as larger or exporting businesses).
- **Urban businesses (15%) are presently well above rural businesses (8%) in Gen AI adoption.**

# Nearly 1 in 5 emerging enterprises are adopting Gen AI to grow.

## Use of Gen AI in Canada in 2024

% of businesses by age that are “already using” and “plan to use”



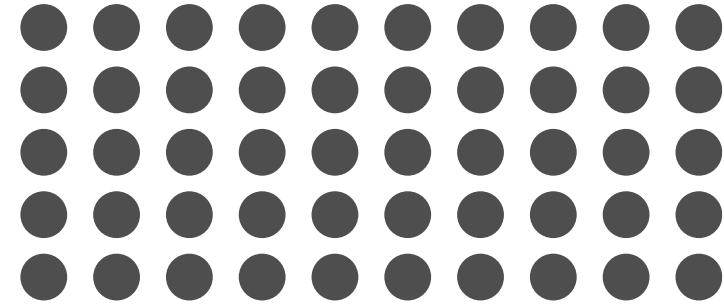
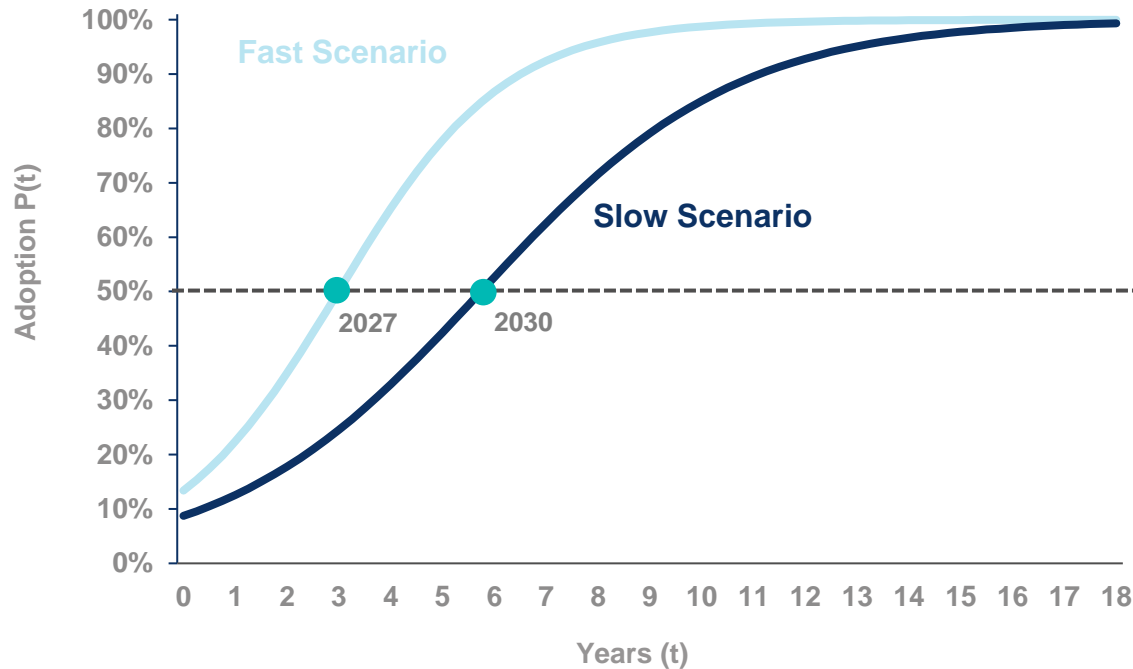
- Business maturity matters too, but less than you might think.
- **Emerging enterprises are showing a greater interest in Gen AI than mature enterprises.** Nearly 1 in 5 emerging enterprises (18%) are adopting Gen AI compared to 1 in 10 mature enterprises (12%).

# The Tipping Point: The BDL's projected adoption of Gen AI

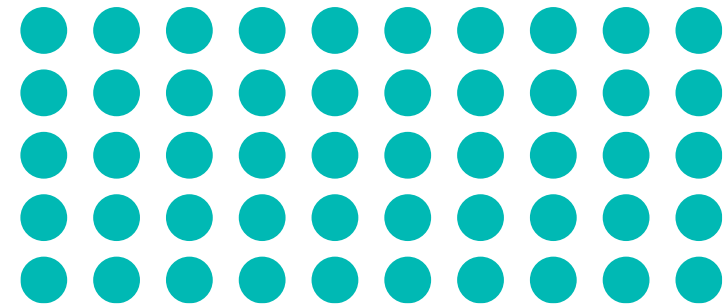


# Gen AI adoption by Canadian businesses may reach a tipping point in 3 to 6 years. That likely isn't fast enough to beat global competitors.

Projected Gen AI adoption rates by businesses in Canada



Gen AI adoption by Canadian businesses may reach a tipping point between 2027 and 2030



- Historically, the adoption of transformative technologies (such as electricity, the internet and mobile phones) has followed an S-shaped curve. Initially, adoption is slow, then it accelerates rapidly, and finally levels off as saturation is reached. Supported by Moore's Law, the speed of technology adoption has quickened over time.
- Based on two adoption scenarios ("fast" and "slow"), BDL projects that Gen AI adoption by Canadian businesses will reach a tipping point of 50% in the next 3 to 6 years.
- This may seem fast but is probably not fast enough to keep pace with global leaders. Businesses in the United States, China and several European countries are investing heavily in AI, likely outpacing Canadian investment.

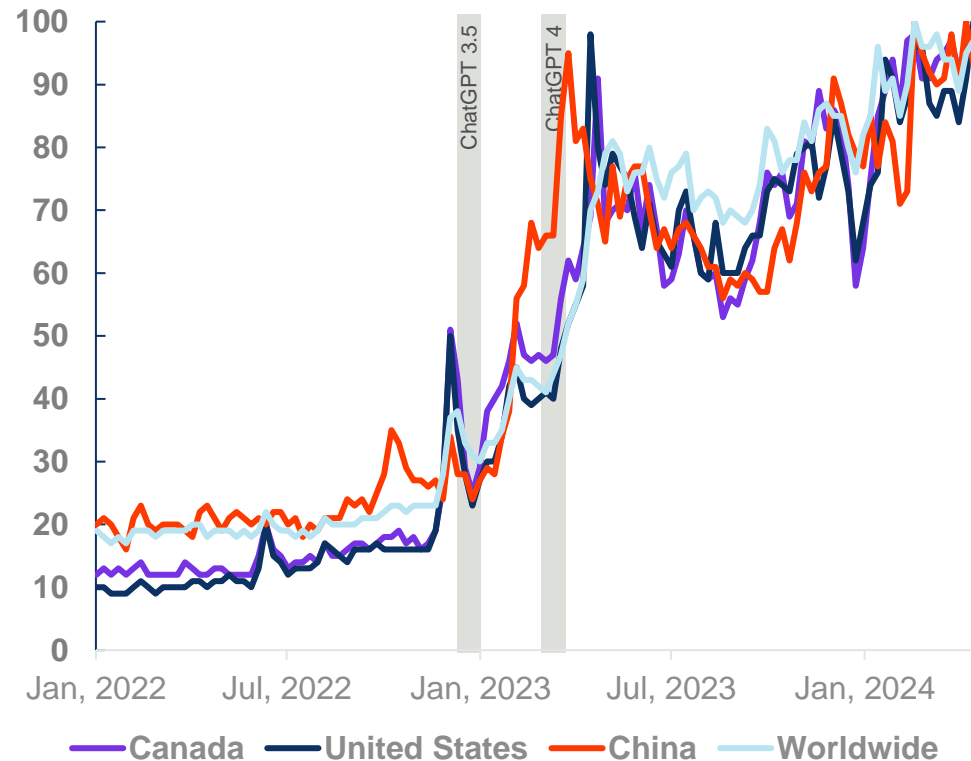
Sources: Business Data Lab analysis based on Statistics Canada data; Survey of Advance Technology, Canadian Survey on Business Conditions.

Notes: Fast Scenario  $P(t)=1/(1+\exp(-0.62*(t-2.92)))$ ; Slow Scenario  $P(t)=1/(1+\exp(-0.40*(t-5.69)))$

# Global interest in AI is high. Will the world gain a competitive advantage by adopting Gen AI faster than Canada?

## Google Trends

Interest over time for the search term “AI”

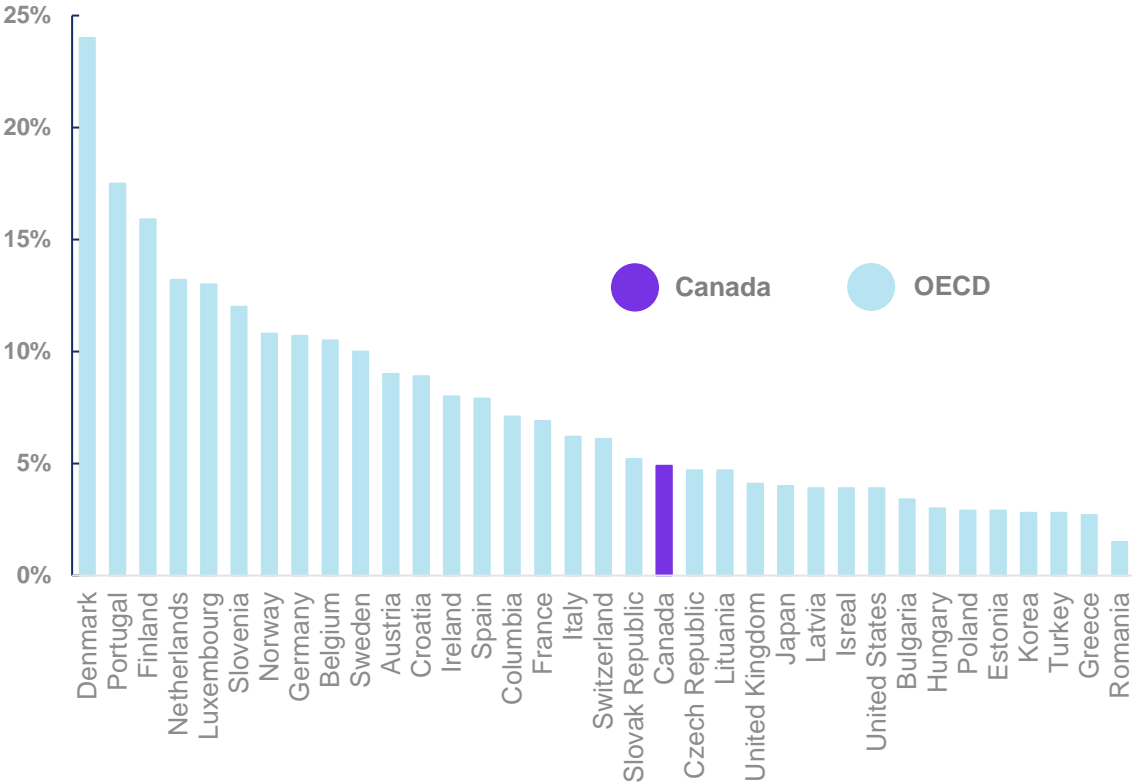


- Seen through Google Trends, public interest in AI exploded following the release of Gen AI chatbot ChatGPT in November 2022. Public fascination in AI has been sustained with a constant flow of new Gen AI applications, media stories and early adopter use cases.
- According to Google Trends, public interest in AI is strongest in the Indo-Pacific. Presently, Canada ranks 23rd out of 68 countries for search interest in AI.
- Not only is much of the world more interested in AI than Canada, but global IPSOS surveys have revealed that Canadians are less knowledgeable and more nervous about AI than citizens of most other countries. In 2023 for instance, Canada ranked 29th out of 31 countries in agreeing that products and services using AI had more benefits than drawbacks.
- Public interest and attitudes toward AI are likely positively correlated with a country's business adoption rates.
- Historically, first mover advantage is critical in technology adoption. Early adopters often gain a competitive edge over rivals by introducing superior products and services, securing resources and setting industry standards.
- With Canada's Gen AI tipping point likely 3 to 6 years away, is that too slow for Canadian firms to take full advantage of the technology's productive value?

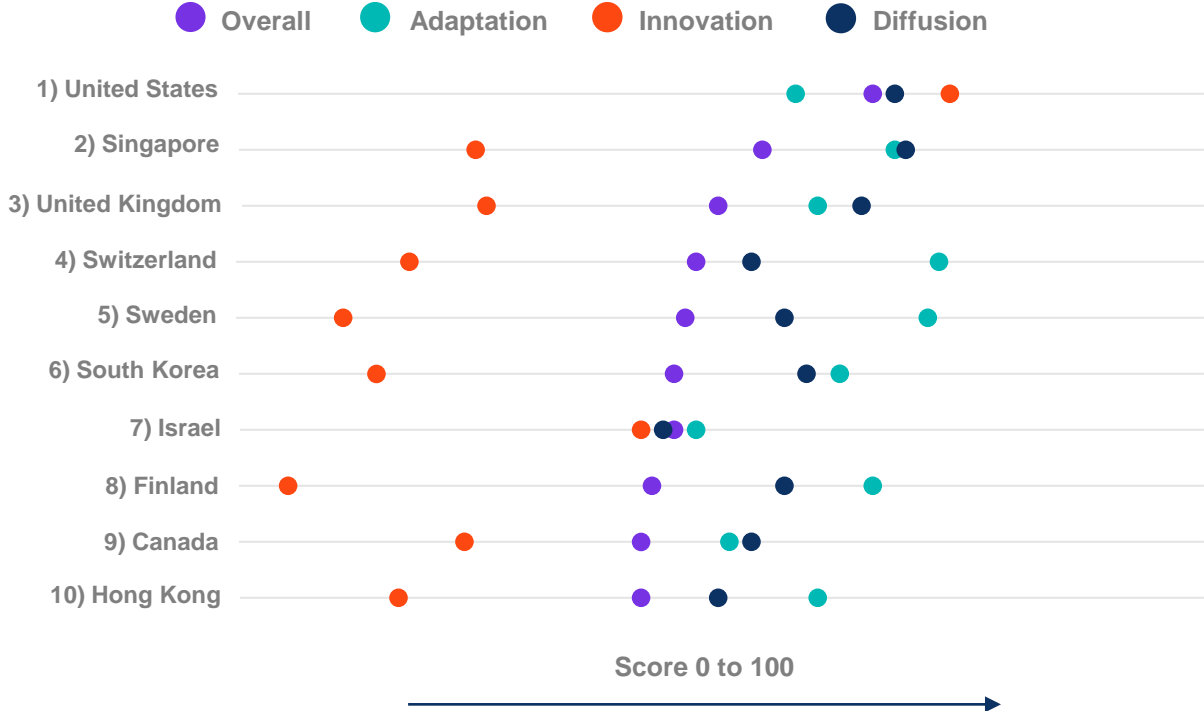


# While not leading AI adoption globally, Canada is relatively well positioned to benefit from AI over the coming decade.

Business AI adoption across the OECD



AI Economic Impact Index, Top 10 countries



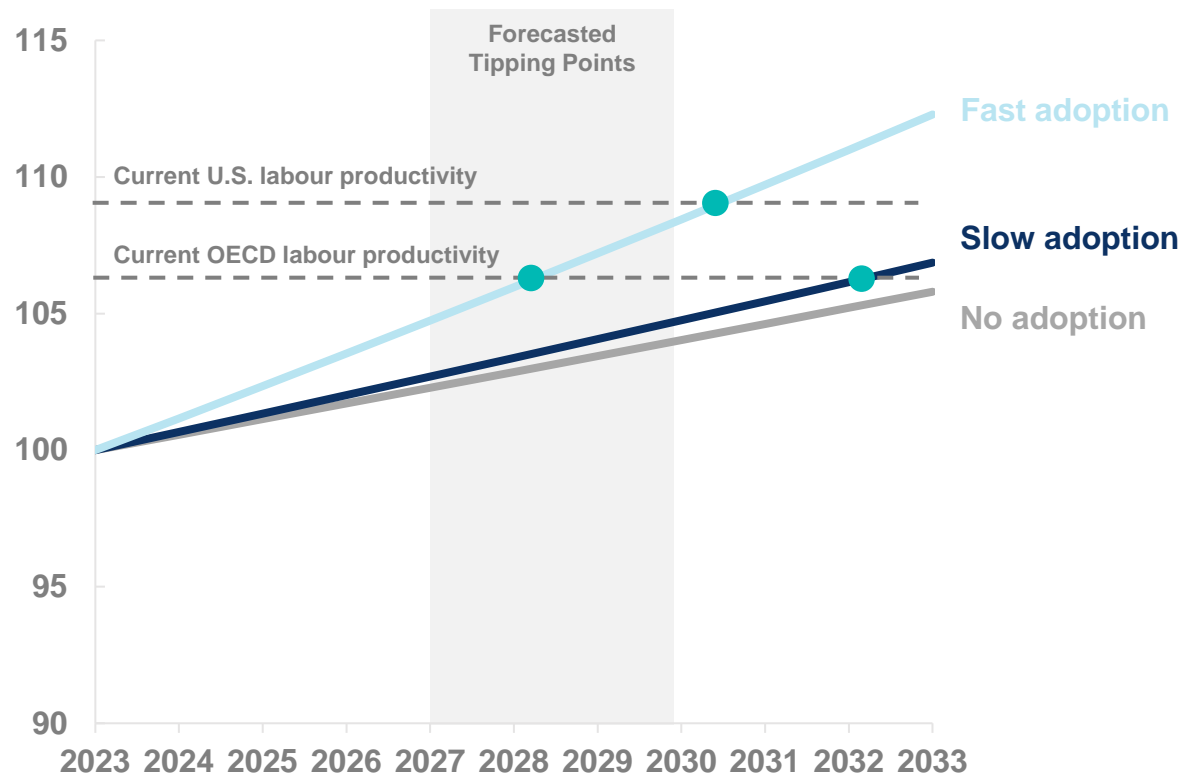
- Canada’s historic level of AI use by businesses (under 5%) ranked it mid-pack among OECD countries.
- Nonetheless, Canada remains relatively well positioned globally to benefit from AI over the coming decade. According to Capital Economics, Canada is ranked 9th out of 33 countries to benefit from AI and its effects.

Sources: [The Dais](#) report; [Capital Economics](#) Index.  
 Notes: OECD adoption data includes firms with 10 or more employees. Data is 2022 and older and not Gen AI specific.  
 Definitions for Index: Adapt = Absorb workforce changes, Innovation = New uses, and Diffuse = Spread use.

# Gen AI could grow Canada's productivity between 1% and 6% over the next decade.

## Projected labour productivity for Canada using Gen AI (2023–2033)

GDP per hour worked under a “fast” and “slow” Gen AI adoption scenario



- In 2023, several studies assessed AI’s impact on labour. As summarized by Stanford University, these studies demonstrate AI makes workers more productive and leads to higher quality work.
- According to McKinsey, Gen AI is set to unleash the next wave of productivity growth. Depending on the rate of adoption, McKinsey estimates Gen AI could enable labour productivity growth of 0.1% to 0.6% annually through to 2040. Applying these estimates, and assuming no other changes, BDL projects Canada reaching the current labour productivity of:
  - The United States by 2030 under a fast adoption scenario and 2036 under a slow adoption scenario.
  - The OECD average by 2028 under a fast adoption scenario and 2032 under a slow adoption scenario.
- From a business perspective, Microsoft indicates the average return on investment (ROI) for companies is \$3.50 for every \$1 invested in AI.

Sources: Business Data Lab analysis based on Haver Analytics data, [McKinsey & Company](#) research; [Stanford University](#) report; [Microsoft](#) blog.

Notes: Productivity was forecasted using a 5-year compound average annual growth rate (2017–2022). A slow adoption scenario assumes an average annual growth in productivity of 0.1%, and a fast adoption scenario assumes 0.6% annually. These are based on global adoption and productivity gains.

**Why: Early  
adopters' uses  
and perceived  
value of Gen AI**



# Businesses believe Gen AI can enhance their productivity and competitiveness. Replacing workers is not the driving force of adoption.

## Perceived business value created by Gen AI in 2024

% of businesses that are “already using” or “plan to use” Gen AI, by all industries



69%

Accelerate development of creative content



46%

Increase automation in tasks, without reducing employment



38%

Improve customer experience



35%

Achieve cost efficiencies



30%

Spur data-driven decision making



13%

Automate tasks to replace employees



10%

Minimize workforce recruitment and retention challenges



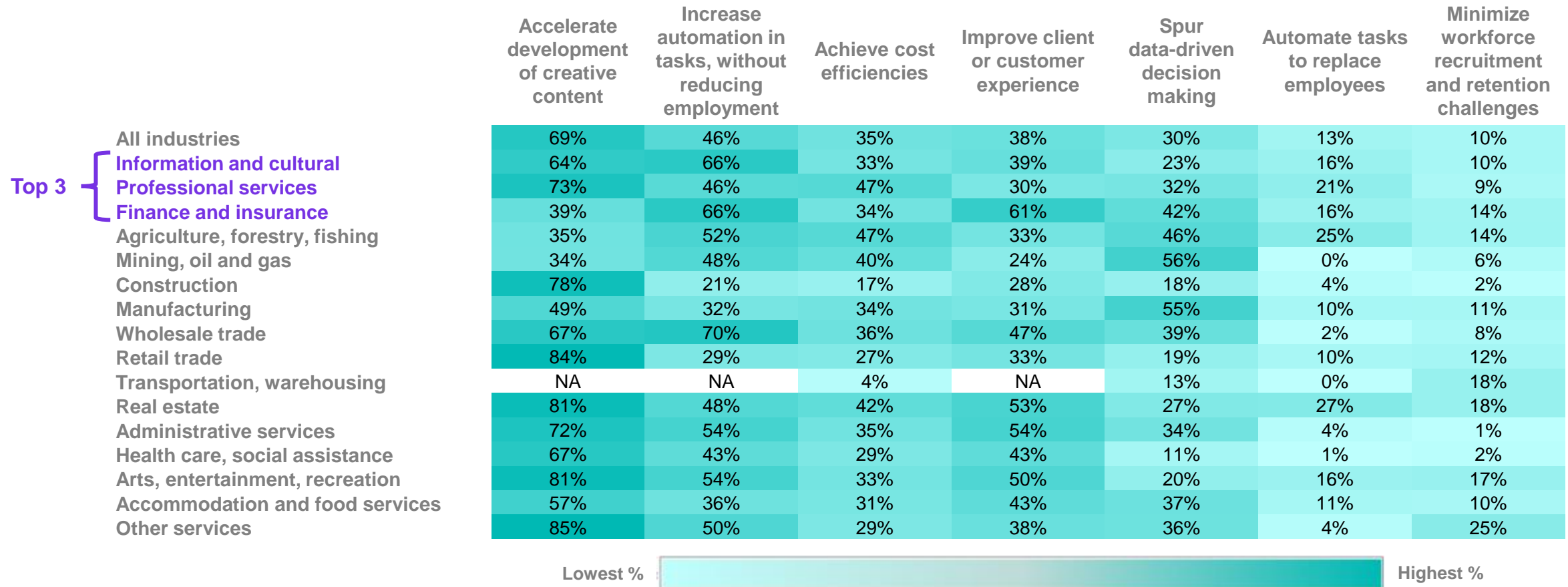
Productivity and competitiveness enhancing actions.

Source: Business Data Lab analysis based on Statistics Canada’s Canadian Survey on Business Conditions; 13,327 business responses in January and February 2024.

# Businesses are predominately looking to accelerate and automate work without job cuts.

## Perceived business value created by Gen AI in 2024

% of businesses that affirmed they are “already using” or “plan to use” Gen AI, by industry



# Business value and rationale for Gen AI adoption.



## Decision making:

Natural resources, manufacturing, and finance are focused on informing data-driven decision making, suggesting that these data rich industries are emphasizing data analytics to provide business value.



## Operational efficiency:

Wholesale trade, information and culture, finance, and professional services all put a significant focus on automating tasks and achieving cost efficiencies, suggesting a strategic shift towards leveraging Gen AI to streamline processes, reduce costs and enhance competitiveness. These industries recognize that embracing automation and optimizing operations are essential for sustainable growth in today's dynamic business landscape.



## Customer experience:

Business-to-consumer industries (B2C) put greater value in using Gen AI to improve customer experience than business-to-business (B2B) industries. Finance, administrative services, and real estate showed the strongest interest in enhancing customer experience with the technology. This suggests that businesses from these industries are seeking to differentiate themselves through personalized, AI-enhanced customer interactions.



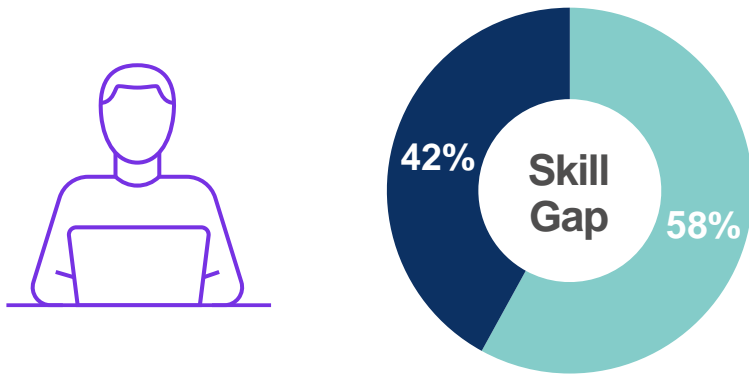
## Replacing employees:

Only 1 in 8 businesses (13%) using Gen AI specifically value it for replacing employees. This suggests that workforce displacement is not the primary driver for adoption.

# Gen AI could help close employees' skills gap. While job postings mentioning Gen AI have increased, they're a fraction of total postings.

Are all employees fully proficient in terms of skills needed to do their current job?

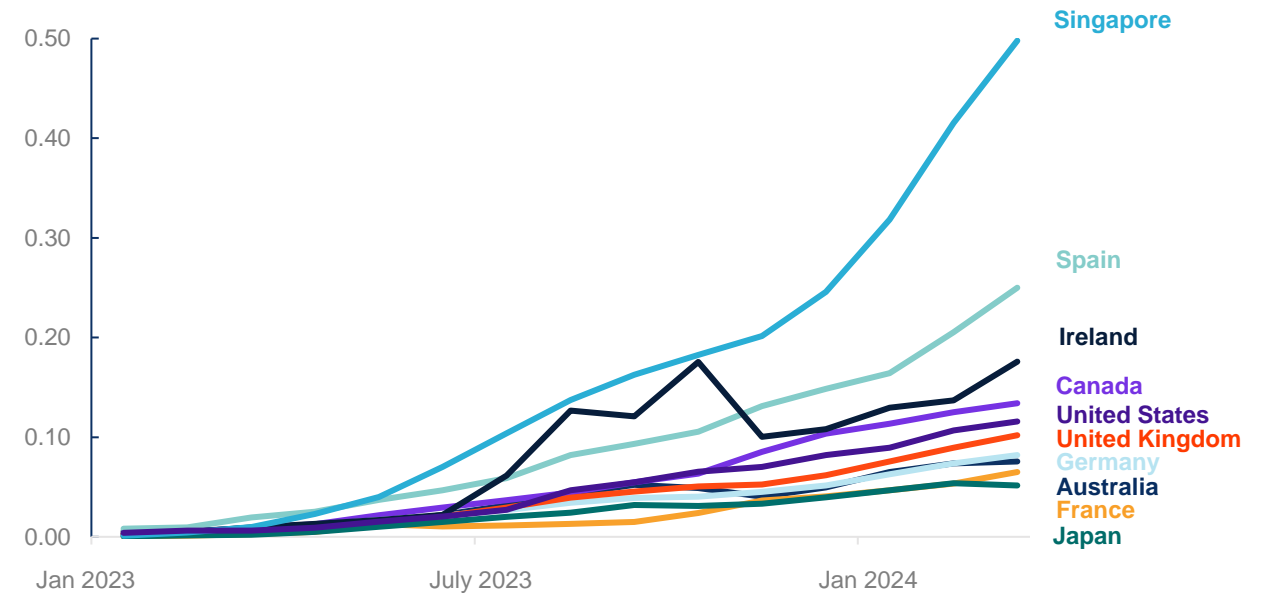
% of respondents, all industries



● All employees are **fully** proficient
 ● All employees are **not fully** proficient

Job postings mentioning Gen AI

% of total online job postings, with international counterparts



- In 2023, 58% of Canadian business had some sort of skills gap among employees.
- According to Stanford University, several labour studies have now highlighted AI's potential to bridge the historic skills gap between low- and high-skilled workers.
- Businesses globally are beginning to post jobs containing AI-related terms. Since January 2023, Canadian job postings mentioning Gen AI have increased by 13%. Yet, these Canadian postings equate to less than 1% of total postings in March 2024.

Source: Business Data Lab analysis of Statistics Canada (CSBC, Q4 2023), Indeed [Hiring Lab](#) data; [Stanford University](#) report.

Notes: Gen AI job postings include the specific terms "Generative AI," "Large Language Models," and "Chat GPT."

# Challenges: Barriers to technology adoption





# Roughly 3 in 10 businesses cite hiring skilled employees and access to finance as top challenges to adopting new technologies.

## Challenges to adopting new technologies

% of businesses that answered “somewhat challenging” and “extremely challenging”



Hiring workers with tech skills

35%



Accessing financial resources to invest in new tech

33%



Retraining employees with new tech skills

28%



Accessing external financing to support implementation

28%



Ensuring security and privacy of data

27%

When it comes to adopting or incorporating new technologies:

- Small businesses have a **less** challenging time with retraining employees, reorienting their business strategy/processes or integrating new technologies into existing technology infrastructure than larger businesses. Small businesses are also less concerned with data security and privacy.
- Small businesses have a **more** challenging time with accessing financial resources to invest in new technologies than larger businesses.

# Recommendations



# Recommendations for businesses



- **Innovate or die:** Perhaps the most important takeaway is for Canadian businesses to experiment with Gen AI. Global interest in Gen AI is high. Canadian businesses need to move fast to gain a competitive advantage over global competitors. With Gen AI so accessible and applicable for every type of business, there is little excuse for Canadian businesses to sit on the sidelines.
- **Pilot projects that measure uplift:** Start with small pilot projects to validate the feasibility and impact of Gen AI. Gradually expand to larger initiatives based on successful proof of concepts. Quantify the impact of Gen AI by measuring key performance indicators. Compare metrics (e.g., efficiency, costs savings and revenue generation) before and after Gen AI implementation.
- **Change management and employee training:** Prepare employees for the adoption of Gen AI. Provide training sessions, workshops and resources to help them understand the technology and develop new workflows.
- **Strategic alignment:** Align Gen AI adoption with overall strategic goals. Identify where Gen AI can enhance existing processes, improve customer experience or drive innovation.
- **Data infrastructure and governance:** Invest in robust data infrastructure and governance practices. High-quality data is essential for training Gen AI models. Ensure data privacy, security and compliance.
- **Talent acquisition and retention:** Attract and retain talent skilled in Gen AI. Recruit data scientists, machine learning engineers and domain experts who can develop and deploy Gen AI solutions.
- **Investment in cloud infrastructure:** Leverage cloud platforms for scalable computing power. Cloud services facilitate model training, deployment and maintenance, allowing businesses to experiment and iterate efficiently.
- **Leverage public resources:** Move faster by basing policies on the federal government's [Guide on the use of Gen AI](#) or tapping available funding, such as the [NRC's IRAP AI Assist Program](#).

# Recommendations for policymakers



- **Drive AI adoption in government:** Canada should look to Singapore as a leading example in maximizing AI’s benefits for the public sector with its mission-driven, “pilot and scale” approach.
- **Upskill Canadian workers:** Analysis by [The Dais](#) indicates that upskilling workers – particularly those in information and communication technology – has the biggest impact on national AI adoption. Countries that have invested significantly in upskilling have seen some of the most substantial adoption rate improvements. India, for example, has upskilled 700,000 IT professionals and government officials in four years and has risen to the top of global AI adoption indexes.
- **Set targets:** Set ambitious business adoption targets that are incorporated into the Minister of Innovation, Science and Industry’s mandate letter. Consider working towards a Gen AI business adoption rate of 50% to be achieved between 2027 and 2030.
- **Tap the private sector:** Fully leverage private sector partners when allocating new \$2.4 billion in AI funds; especially as it relates to AI compute and business adoption in key sectors.
- **Accelerate small business AI adoption:** Accelerate small business adoption of AI by building a program like Singapore’s Go Digital program. Like many economies, small businesses account for the majority of Singapore’s workforce and GDP. Since the launch of Go Digital, more than 80,000 small businesses have adopted digital solutions. Through the program, small businesses can access “CTO-as-a-service”, a one-stop platform to perform a self-assessment of their digital readiness, identify their digitalization gaps and access grants.
- **Proportionate and risk-based regulation:** Ensure AI regulation is proportionate and risk-based. Excessive regulatory requirements can impose substantial compliance costs on businesses, especially smaller businesses that have fewer resources. If compliance becomes too burdensome, it could reduce the adoption of Gen AI among small businesses, in particular.

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## **About the Business Data Lab**

In February 2022, the Canadian Chamber of Commerce launched the Business Data Lab (BDL) to help businesses boost their performance with granular insights on rapidly changing business trends. Established in collaboration with Statistics Canada and with financial support from Innovation, Science and Economic Development Canada, the BDL's main objectives are to advance Canadians' understanding of business conditions and to democratize data. To support better decision-making and improve business performance, the BDL shares its insights across the Canadian Chamber of Commerce network, which represents over 200,000 Canadian businesses. The BDL uses Gen AI to accelerate and improve the quality of its work.

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