



A global study 2025 - Canadian insights KPMG. Make the Difference.

The state of Al trust and literacy in Canada



Canada has long been recognized for its early leadership in artificial intelligence. But today, the data shows we're at risk of losing that edge — not because of a lack of innovation, but because of growing uncertainty and a gap in public understanding.

Canada ranks among the least AI literate nations globally, holding the fourth-lowest position in AI training and literacy in a ranking of 47 countries. Many Canadians also express limited knowledge about AI and lack confidence in their ability to use AI tools effectively.

That's according to <u>Trust</u>, <u>attitudes and use of artificial intelligence</u>: A <u>global study 2025</u> from KPMG International and The University of Melbourne, which reveals concerning trends about Al literacy and trust in Canada. The study surveyed more than 48,000 people in 30 advanced economies and 17 emerging economies.

Many Canadians say they lack confidence using AI tools and don't fully understand how they work. Trust levels are also low, with Canada ranking sixth-lowest in willingness to rely on information generated by AI.

Encouragingly, Canadians are clear about what they want: better education, stronger oversight, and trustworthy institutions to guide the path forward. They place the most confidence in universities and research bodies, and they expect industry and government to step up with smart regulation and clear standards.

If Canada can respond to this call, we have a chance to move from hesitation to leadership and building a more informed, empowered, and innovation-ready population.

The Canadian sample is based on responses from

1,025 people

in Canada.

small organizations (2-49 employees)

24% medium organizations (50-249 employees)

large organizations (250+ employees)



Canadians see both risks and opportunities in Al



While Canadians are cautious about AI, many remain open to its potential. Today, 34% express a willingness to trust information generated from AI, and 50% approve of or accept its use. At the same time, four in five (79%) say they are concerned about possible negative outcomes, which makes it essential for organizations to recognize these concerns and take proactive steps to build trust and confidence.

Top concerns include cybersecurity risks (87%) and loss of privacy or intellectual property (86%). Many Canadians also highlight challenges such as a decline in human connection (86%) and the spread of misinformation and disinformation (83%).

These concerns point to a clear path forward. Canadians want to see stronger guardrails in place to ensure AI is deployed responsibly. A large majority (92%) say they are unaware of any existing laws, regulations, or policies that govern AI in Canada, underscoring the need for clearer communication and leadership on governance. Three-quarters (75%) believe that effective regulation is necessary and expect both government and industry to work together to establish consistent, internationally aligned standards.

Importantly, Canadians are not rejecting AI. Despite their concerns, 70% believe AI will lead to positive outcomes, and 60% say they are seeing benefits in their personal or professional lives.



34%

are willing to trust Al

79%

are concerned about the possible negative outcomes of Al

92%

are not aware of any laws that apply to Al in Canada

75%

believe that Al regulation is needed



As we navigate AI, organizations must acknowledge Canadians' concerns, especially around cybersecurity, privacy, and unclear regulations. While there's apprehension, there's also hope that AI can deliver real benefits. It's up to organizational leaders to address these concerns and engage the workforce through this transformation."

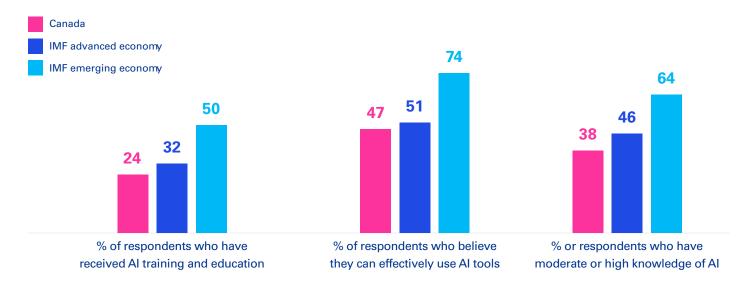


Megan Jones
National HR and Workforce
Transformation Lead,
KPMG in Canada

Canada's gap in Al literacy is contributing to employee anxiety



Al literacy by economic group



At the same time, many Canadians feel they are not yet equipped to fully take advantage of Al. Less than a quarter (24%) of Canadian respondents say they have received training in Al, and fewer than 4 in 10 (38%) said they have moderate or high knowledge of Al, compared to 52% globally. Less than half (47%) believe they can effectively use Al tools.

The gap in AI literacy contributes significantly to employee anxiety as organizations adopt AI technologies. Improving AI literacy must involve robust educational initiatives tailored to a mixed workforce with varied levels of comfort and understanding with AI. This approach can help transform fears into acceptance, creating a more knowledgeable workforce that feels comfortable working with AI tools.



Higher Al literacy leads to higher Al adoption, a critical ingredient to solving Canada's productivity crisis and creating a more competitive and dynamic economy."



Benjie Thomas CEO and Senior Partner, KPMG in Canada

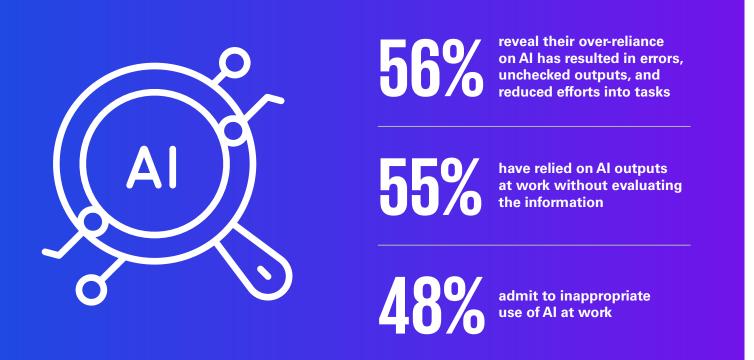
Strengthening Al use in the workplace through training and guidance



As Al becomes part of daily work, organizations can help employees use these tools more effectively and safely. Many of the current challenges stem from gaps in training and unclear policies, not resistance to using the technology itself.

More than half (56%) of Canadian respondents reveal that their over-reliance on Al has resulted in errors, unchecked outputs, and reduced effort into tasks. In addition, 48% acknowledge using Al in ways that may not fully align with workplace guidelines, often due to uncertainty about appropriate usage.

These risks can be addressed. Focused training, clear policies, and simple guardrails can help employees understand when and how to use Al tools properly. With the right support, organizations can turn early missteps into a foundation for safer, more productive Al adoption.



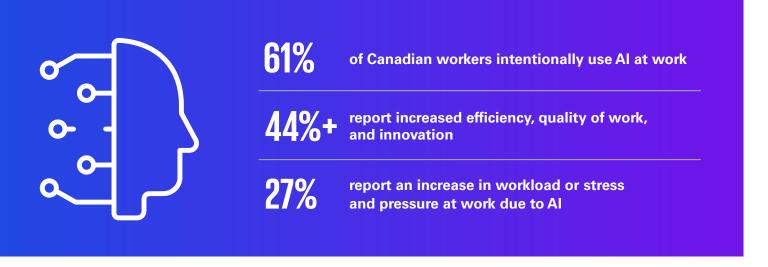
Growing adoption signals promise and opportunity for Canadian organizations



Despite their anxiety around AI, a growing number of Canadian workers are engaging with AI in their daily tasks, with 61% intentionally using AI tools at work. However, this adoption rate contrasts sharply with the 39% who state they never use AI in their professional environment.

Nearly half (46%) of respondents recognize that AI is changing how they approach their work, while more than 44% report seeing gains in efficiency, quality, and innovation. These early results show that AI, when applied thoughtfully, is already delivering value across organizations.

However, adoption also brings new pressures. More than a quarter (27%) of respondents report an increase in workload and stress due to AI, and 40% worry about being left behind if they don't develop AI skills. These concerns reinforce the importance of equipping employees with support to feel confident and capable in an AI-enabled workplace.





Canadians are understandably concerned about the potential risks of AI, but being overly risk-averse can stifle innovation and hold us back from being competitive. We need more engagement and buy-in from Canadians to realize the promise of AI."



Stephanie TerrillCanadian Managing Partner for Digital and Transformation, KPMG in Canada

Unlocking the value of Al



Canadians are looking for practical steps that build trust and make Al adoption feel safe, useful, and transparent. Organizations that take a thoughtful approach today will be better positioned to scale Al with confidence.

Key steps include:



Robust training programs

Build Al literacy across the workforce through practical, accessible education. Help employees understand how Al works, where it can help, and the ethical standards that guide its use.



Transformation mindset

Treat Al adoption as a business transformation, not just a technical upgrade. This requires leadership commitment at all levels.



Transparent communication

Be clear about how AI is being used and its potential impact on jobs. Open dialogue helps reduce fear and fosters greater engagement.



Culture of experimentation

Encourage employees to explore AI, share what they learn, and help one another build confidence and capability.



Clear governance frameworks

Establish and communicate straightforward policies on acceptable Al use, data privacy, and security to reduce risk.



Upskill for the future

Continuous upskilling to support new work and roles associated with Al investments, and to capitalize on higher value work that could be completed with reinvested capacity.

With the right investments and leadership, Canadian organizations can build a stronger, more trusted Al foundation, and turn today's concerns into tomorrow's competitive advantage.

About this study

All data is from 'Trust, attitudes and use of artificial intelligence: A global study 2025. The University of Melbourne and KPMG.' This is the fourth survey in a program of research examining public trust and attitudes to Al, which started in 2020.

The 2025 report examines the perspectives of 48,000 people from 47 countries, representing all global geographic regions. It offers one of the most comprehensive examinations to date of public trust and attitudes towards AI, taking a deep dive into how employees and students use AI in work and education and their experiences of the impacts of AI in these settings.



As Al reshapes how we live and work, organizations must be bold, fast, and responsible all at once. KPMG can help your enterprise implement and scale Al with a comprehensive suite of solutions to help your business stay ahead.

Learn more at http://kpmg.com/ca/Al



Stephanie Terrill Canadian Managing Partner for Digital and Transformation, KPMG in Canada

(416) 777-8994 sterrill@kpmg.ca

kpmg.com/ca



© 2025 KPMG LLP, an Ontario limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation. 30314