# Labour faces backlash over copyright exemption for tech firms



Labour is facing criticism for allegedly disregarding a significant recommendation from a cross-party committee that aimed to ensure artists can receive compensation for their work if it is misappropriated by technology firms. This concern has gained traction among prominent figures in the music, film, and literature sectors who are increasingly alarmed that their creations could be exploited without any remuneration due to advancements in artificial intelligence (AI).

Last year, the science, innovation and technology committee, formed under the previous Conservative government, recommended that the next administration implement a “financial settlement for past infringements” resulting from AI utilisation. Following the election, Labour, led by Sir Keir Starmer, announced plans for a consultation on this recommendation. However, shortly thereafter, it introduced a proposal that would grant major technology companies a copyright exemption, which has drawn substantial criticism, including a significant campaign spearheaded by the Daily Mail to challenge this move.

The consultation period concluded recently, and if the Government proceeds with its plans, there are concerns that it could severely impact the UK’s £126 billion cultural industry that employs approximately 2.4 million individuals. Baroness Kidron, a crossbench peer and advocate against the copyright exemption, expressed her distress at the government's actions, stating, “It is significant that the committee called for reparations for past infringements. Astonishing that the Government has ignored that and rewarded those that have stolen copyright by proposing an exception.”

Reports indicate that government ministers are contemplating a partial reversal of their initial proposals, with suggestions to exempt specific segments of the creative industry from having their copyright-protected works accessed by AI firms. A source informed The Guardian, “Abandoning the plans altogether is not seen as an option as it would put British AI companies at a disadvantage, but there are ways to protect certain sectors which are particularly important, and to make sure big US technology giants are not getting all the benefit.”

The earlier report from the Tory-led committee underscored the need for a “sustainable framework” to clarify the rules surrounding the burgeoning number of disputes related to the alleged use of copyright-protected works in training AI models. It advised that the existing government or its successor should ensure that discussions about the use of copyrighted material for AI training are concluded with an actionable approach.

In response to the committee’s recommendations, the Labour Government acknowledged the necessity of establishing a “sustainable framework” but subsequently proposed a consultation favouring a copyright exception for tech firms. Under the proposed framework, companies would be allowed a “text or data mining” exemption, enabling them to utilise content from the internet without compensating creators financially.

The Society of Editors and other media bodies have publicly supported the Daily Mail's "Make It Fair" campaign, which aims to ensure that creators receive appropriate compensation for their work. In light of the ongoing consultation, a government spokesperson stated, "It’s premature to speculate on the way forward."

Amidst these discussions, Business Secretary Jonathan Reynolds reaffirmed the importance of enabling Britain's creative industries to "earn a decent living" from their work. Speaking during his visit to Delhi, Reynolds acknowledged concerns about potential changes in legislation allowing tech firms to utilise content for their AI projects, indicating his awareness of the need for fair compensation in the creative sectors. Labour sources have also claimed that the government remains “open-minded” regarding the proposals, as debate continues surrounding the implications for artists and the industry as a whole.

Source: [Noah Wire Services](https://www.noahwire.com)