



Opinion

Canadians can't wait for consumer privacy reform

New federal consumer privacy law is urgently needed so consumers have updated rights and protections, and the businesses that are fueling economic growth and innovation have clear rules.

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The data-driven economy is not emerging. It is here and all around us. Accelerated by the COVID-19 pandemic, Canadians have migrated much of their daily lives online. This has completely changed the way we access information, buy goods and services, and connect with each other.

Without exception, Canada's business leaders regard the data-driven economy as an enormous opportunity to improve Canadians' quality of life and to strengthen our country's ability to compete globally.

According to Statistics Canada, Canadian organizations invested as much as \$40-billion in data, databases, and data science in 2018. For context, that was greater than the total investment that year in industrial machinery, transportation equipment, and research and development.

At the same time, business leaders recognize that a healthy and innovative data-driven economy requires a solid foundation of consumer trust and confidence. For that reason, our organizations—the Business Council of Canada, Canadian Chamber of Commerce, Canadian Marketing Association, Canadian Bankers Association, Canadian Life and Health Insurance Association,

and Canadian Wireless Telecommunications Association—have long supported efforts to update and modernize Canada's federal consumer privacy law.

Bill C-27 is the government's most recent attempt to mod-

ernize our decades-old federal consumer privacy law. While aspects of Bill C-27 require amendment, all agree that the bill would introduce substantial and long-overdue improvements to Canada's current framework.



Innovation Minister François-Philippe Champagne introduced Bill C-27 at first reading in June 2022, but the bill is stalled at second reading. Though Parliament has competing priorities, Canada cannot delay any longer in modernizing its federal consumer privacy rules. *The Hill Times* photograph by Andrew Meade

ernize our decades-old federal consumer privacy law. While aspects of Bill C-27 require amendment, all agree that the bill would introduce substantial and long-overdue improvements to Canada's current framework.

Despite this progress, Bill C-27 sits stalled in Parliament. While we acknowledge Parliament's competing priorities, Canada cannot delay any longer in modernizing its federal consumer privacy rules.

New federal consumer privacy legislation is urgently needed so consumers have updated rights and protections, and that the businesses that are fueling economic growth and innovation have clear and predictable rules.

Failure to move forward with modern legislation in a timely

manner may also have serious implications for Canadians. Absent a new federal consumer privacy framework, provinces will be forced to enact or amend their own laws. This could result in a patchwork of

inconsistent privacy regulations across our country.

The result would be a confusing and inconsistent experience for consumers. To assert their rights, consumers would be required to familiarize themselves with two or more distinct privacy regimes. Privacy complaints might also have to be brought to different regulators with distinct procedures, responsibilities, and powers.

For innovators and entrepreneurs, a patchwork of conflicting provincial privacy rules would translate into new trade barriers. This would reduce the economic opportunities created by a national digital market, including greater competition and consumer choice.

Canadian business leaders are also concerned about los-

ing their longstanding access to international markets. If Canada does not move soon to update its federal consumer privacy rules, then Canadian businesses could lose preferential access to two of Canada's largest trading partners: the United Kingdom and the European Union. Losing the ability to seamlessly transfer data to and from these markets could put good, well-paying Canadian jobs at risk.

Lastly, we stress that Canada is not an island to itself. Our global competitors are further along in making improvements to their own privacy frameworks. While Canada has enviable access to talent and ideas, companies and investment will ultimately migrate to where modern regulations exist.

Given the costs of inaction, we call on all Members of Parliament to support the immediate referral of Bill C-27 to committee. Beginning study of this important bill will ensure that all stakeholders—including consumers, regulators, and innovators—can share their views on how the bill might be improved. This will bring us one important step closer to the protection and certainty that consumers and businesses require.

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