

The Urgent Need to Secure Privacy Law Reform for Canadians Better Protections for Canadians + Innovation for Economic Growth

Presentation to the
House of Commons Standing Committee on Industry and Technology
regarding its study of Bill C-27

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Good afternoon, Chair and Members of the Committee.

Thank you for inviting us to appear, and for prioritizing privacy law reform. Your work is critically important to Canadians and to the future of our economy.

I cannot overstate how reliant Canadians are on data and the digital economy. Or how significant the proposed law is to Canada's future economic growth and to the protection of consumers.

The CPPA will enable small and medium-sized Canadian businesses to compete in the global marketplace.

It will protect consumers through new consumer rights, greater transparency and accountability requirements for organizations, and the strongest financial penalties in the G7.

It will help protect children.

It will provide some support to more than 80% of Canadians who are concerned about rising costs.

It will foster innovation and allow Canadians to enjoy the enormous social and economic benefits of data.

The Canadian Marketing Association is the voice of the marketing profession. Our 450 members are small and medium-sized businesses, large brands, not-for-profits, and public and post-secondary organizations, representing virtually all sectors of the economy.

We urge the speedy adoption of the CPPA. Consumers deserve modernized protections, and the businesses fueling our economy need more regulatory certainty.

Consumer trust is critical to a successful business. Most organizations operating in Canada are responsible, and committed to building and maintaining a trusted relationship with their customers. They dedicate significant attention and resources to protect personal information, including substantial investments in cybersecurity. Canada's privacy law must protect consumers in a manner that does not create an unnecessary administrative burden for companies, including SMEs which make up more than 90% of Canadian businesses.

Canadian consumers expect organizations to intuitively deliver the products and services that they need and want. They are demanding faster and better, more relevant information from companies to help them make informed purchase decisions.

We are living in challenging economic times. Ninety percent of consumers say one of the most important reasons for sharing their data with companies is to receive discounts on products. With more than 80% of Canadians concerned about the rising cost of living, the personalization that comes from data usage provides some relief through relevant offers and sales that save them time and money.

To ensure that the CPPA meets its objectives, while avoiding unintended consequences, we are proposing limited amendments.

Our first amendment calls for a more targeted and effective approach to protecting the personal information of minors. The CMA unequivocally supports the protection of minors. For decades, we have been the leader in setting standards for marketing to children and youth, through the Canadian Marketing Code of Ethics & Standards.

We are concerned that the minors provision in the CPPA would result in an overcollection of data. Organizations who have no need to know whether their customers are minors should not be required to collect and retain people's birthdays, which is highly sensitive information, for the sole purpose of complying with the Act.

We propose that the provision for children in the CPPA be targeted to organizations whose business is directed to minors, and to organizations who know, or should know, that they are processing the personal information of minors.

We also recommend that the law allow for different treatment of mature minors, who bear many of the responsibilities and enjoy many of the privileges of adulthood.

These recommendations align with laws in the US and the EU.

We have a handful of amendments in other areas, including consent provisions and the definition of ADS. We support the amendments by the Canadian Anonymization Network regarding de-identified and anonymized data. And we recommend a phased implementation period, similar to Quebec's. Our specific amendments are attached to this statement, and we are submitting a written brief outlining our views in more detail.

I'd like to close my remarks by emphasizing what this legislation is about, and what it is not.

The CPPA is intended to govern commercial activities. It would apply not only to large businesses and digital players, but also to very small organizations and to non-digital business activities. It would govern the ability of not-for-profits and charities to find and retain donors.

The CPPA is not meant to address all aspects of the digital economy. For example, competition issues regarding data monopolies, the use of artificial intelligence (which falls under AIDA), protecting children from online harms: these are all critically important issues but do not fit within the scope of the CPPA.

Chair and Members, our current law, PIPEDA was the international gold standard for the protection of personal information for more than a decade. The CPPA builds on a strong legacy that Parliament can be proud of. Your speedy passage of this law can once again ensure that Canada leads the world in protecting privacy and fostering innovation.

I would like to thank the members of the Committee for your leadership and service to Canadians.