



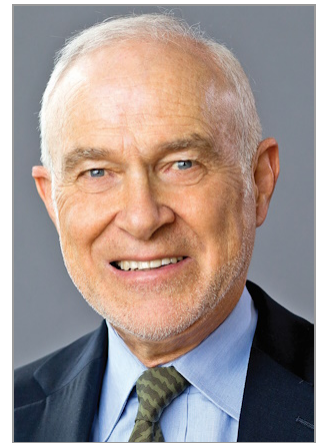
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Major changes coming to federal privacy oversight

By **David Young**

Law360 Canada (July 27, 2026, 11:24 AM EDT) -- On June 15, the federal government tabled its long-awaited, updated privacy reform law, Bill C-36, the *Protecting Privacy and Consumer Data Act* (PPCDA). The bill, together with the government's proposed new online harms legislation, Bill C-34, can be seen as setting forth some specifics onto the generalities of its national AI strategy, "AI for All," announced June 4.

The nexus between these two bills reflects the government's coordinated approach to updating the privacy law to address digital realities as well as responding to online harms, in particular those resulting from the misuse of personal information. Together, these proposed laws will enable the government to show that it is concerned with the safety of Canadians in the new AI-driven world as it is promoting innovation and the potential offered by that world.



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While today, in 2026, we can parse through the updated provisions of the PPCDA, it should be recalled that this is the government's third attempt at reform of the now 25-year-old privacy law, the *Personal Information Protection and Electronic Documents Act* (PIPEDA), going back to November 2020. What we have now is quite a lot like its previously proposed reform law, the *Consumer Privacy Protection Act* (CPPA), but which contains not insignificant adjustments reflecting the consultations, stakeholder commentaries and parliamentary committee hearings regarding the CCPA.

The PPCDA maintains the "generally accepted privacy principles" of PIPEDA but moves the overall protective framework closer to the EU's *General Data Protection Regulation* — which at the time it came into force in 2018 was seen as the cutting edge of "second generation" privacy laws.

Bill C-36 tracks closely the government's previous reform bill, Bill C-27, with one main exception — the oversight and enforcement framework. While Bill C-27 included significant new powers for the Privacy Commissioner — including the ability to make compliance orders and seek significant financial penalties, appeals from the commissioner's orders and imposing penalties were the purview of a separate body, the proposed Personal Information and Data Protection Tribunal. This body was to have a quasi-judicial role broadly comparable to the Competition Tribunal.

Bill C-36, together with Bill C-34, changes course completely. Firstly, and significantly, the Office of the Privacy Commissioner's (OPC) role for oversight of private sector privacy law is transferred to a new body, the Digital Safety and Data Protection Commission of Canada. The OPC's role will, henceforth, be limited to the oversight of public sector privacy, as regulated by the federal *Privacy Act*.

Secondly, the commission will not only have responsibility for private sector privacy compliance, but also the primary oversight role for enforcing the *Digital Safety Act*, to be enacted as part of Bill C-34. The *Digital Safety Act* is a more articulated version of the government's previous attempt at passing online harms legislation (Bill C-63) minus the hate speech provisions but now including provisions regarding chatbots and a social media ban for children.

Within the new commission, a Privacy and Consumer Data Division will be established to focus on privacy compliance. It will be comprised of a Privacy and Consumer Data Commissioner and one other member of the commission. The division, presumably headed up by the new commissioner, will

have direct responsibility for oversight of the PPCDA. In particular, the commissioner will have responsibility for investigating breaches and proposing remedies, including compliance orders and financial penalties.

Under the new oversight framework, it is clear that the actions of the commissioner will be more closely aligned with the government's priorities, which presumably, while ensuring privacy protection, may include advancing its innovation agenda.

Firstly, by contrast with the current Privacy Commissioner who is an independent officer of Parliament, the new commissioner will be appointed by the governor-in-council (i.e., cabinet), with no role for Parliament. Secondly, there will be more active participation by the government — more specifically the minister responsible — in the commission's development of guidance materials respecting the commission's and the division's exercise of regulatory powers, as well as in developing regulations relating to approvals of the PPCDA's proposed codes of practice and certification programs.

While operating within the confines of the 25-year-old PIPEDA, the OPC has achieved some significant successes in responding to the challenges of today's privacy threats, and in this regard, has worked closely with other Canadian and global privacy regulators. It should be logical to expect that the learned experience and the operational infrastructure developed within the OPC over the past 25 years would be retained and transferred to the commission.

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