

# After Bill C-27



When Parliament introduced **Bill C-27**, it was billed as a sweeping overhaul of Canadian privacy and artificial intelligence governance. The proposal bundled three major initiatives:

- The **Consumer Privacy Protection Act (CPPA)**.
- The **Personal Information and Data Protection Tribunal Act**.
- The **Artificial Intelligence and Data Act (AIDA)**.

Had it passed, Bill C-27 would have created new obligations for employers around data handling, employee privacy, and AI use in hiring and workplace management. But as of mid-2025, **Bill C-27 is officially off the table**—it did not survive into law.

That doesn't mean HR managers can relax. If anything, the compliance bar is getting higher, but in a different way: **provincial rules are tightening** while Ottawa resets. Employers that fail to prepare will find themselves scrambling in 2026.

## Where Things Stand Now

### Federally

- Bill C-27 has stalled and expired.
- The federal government is expected to bring forward a new proposal, but nothing is active right now.
- Until then, the **current federal private-sector privacy law (PIPEDA)** still applies.

### Provincially

Several provinces are stepping into the vacuum with their own reforms:

- **Québec's Law 25** (fully phased in by 2024) sets some of the strictest privacy requirements in North America, including mandatory privacy impact assessments and hefty fines.
- **Ontario** has signaled interest in its own privacy legislation and has taken a harder look at AI use in employment and public services.
- **British Columbia and Alberta** already operate their own private-sector privacy regimes and are expected to modernize them.

The result is a **patchwork**: national employers must navigate overlapping and sometimes diverging rules.

# Why HR Managers Can't "Stand Down"

Even though the federal mega-bill is gone, the trends that fueled it (concerns about privacy, data protection, and AI) are accelerating:

- **Employee trust is at stake.** Surveys show workers are more concerned than ever about how employers use their data, especially in an era of remote monitoring and AI-driven productivity tools.
- **AI in HR is under the microscope.** From resume screening algorithms to performance-tracking software, AI systems carry risks of bias, discrimination, and lack of transparency.
- **Regulators are watching.** Québec's privacy authority has already begun enforcement under Law 25, and other provinces are poised to follow.

## What HR Managers Should Do for 2026

### 1. Conduct a Privacy & Data Audit

- Map out what employee data you collect, why you collect it, and where it is stored.
- Identify cross-border data transfers (e.g., if your HRIS is hosted outside Canada).
- Review retention policies—are you keeping data longer than necessary?

### 2. Prepare for AI Oversight

- Inventory any AI tools used in recruitment, performance management, scheduling, or workplace monitoring.
- Ask vendors about **bias audits** and transparency practices.
- Build internal documentation so you can demonstrate responsible use if challenged.

### 3. Update Consent & Transparency Practices

- Ensure employees understand how their personal data and work performance information is used.
- Use plain language policies, not just dense legal boilerplate.
- Provide employees with clear channels to ask questions or opt out where feasible.

### 4. Strengthen Governance Structures

- Appoint or confirm a **Privacy Officer** role in HR or compliance.
- Build a cross-functional team (HR, IT, Legal) to manage privacy and AI issues.
- Incorporate privacy/AI risks into enterprise risk management frameworks.

### 5. Watch for New Developments

- Expect a new **federal privacy/AI proposal** in the next Parliament.
- Track Ontario's legislative moves and any reforms in Alberta/BC.
- Engage with employer associations and chambers of commerce to stay ahead of consultations.

## Looking Beyond Compliance: Building a Culture of Trust

Employees increasingly judge their employers not only on pay and benefits but also on **how responsibly they handle personal information**. HR leaders who get ahead on privacy and AI aren't just avoiding fines, they're building credibility.

Practical steps like sharing data-handling FAQs with staff, holding “Ask Me Anything” sessions with your privacy officer, or providing training on responsible AI can send a powerful message: *we respect your rights, and we’re accountable.*

## **Bottom Line**

Bill C-27 may be gone, but the issues it tried to address are alive and pressing. For HR managers, the path forward is clear:

- **Stay compliant with PIPEDA and provincial laws today.**
- **Prepare for AI oversight before it arrives.**
- **Build trust with employees through transparency and accountability.**

By weaving privacy and AI governance into your **2026 HR strategy**, you’ll not only avoid regulatory headaches but also strengthen your employer brand in an increasingly data-sensitive world.