

# Understanding Canada's Data Privacy Laws

PIPEDA vs. Quebec's Law 25



# Why Privacy Rules are a Big Deal for Business

In today's digital landscape, trust is currency. Every time a customer shares their personal information with a business, they are placing their trust in that company to protect it. How a business handles that data can either build or break that trust.

This guide explains the key differences between Canada's federal privacy law, known as PIPEDA, and Quebec's newer, stricter version, initially called Bill 64 and now officially Law 25. For any business that handles customer data, understanding these rules isn't just about avoiding hefty fines—it's about building a reputation as a trustworthy brand that values and protects its customers' information.



# The Foundation: What is PIPEDA?

Think of the Personal Information Protection and Electronic Documents Act (PIPEDA) as Canada's foundational rulebook for data privacy. It establishes the ground rules for how any private-sector organization must handle personal information during commercial activities. PIPEDA is built on 10 Fair Information Principles, providing a national baseline for data protection across Canada.



## Accountability

You must designate a specific person, often called a privacy officer, who is responsible for ensuring compliance.



## Consent

You must obtain valid and informed permission from customers before collecting or using their personal data.



## Limiting Collection

Only collect the personal information that is absolutely necessary for a specific, stated purpose.



## Safeguards

You must implement security controls and measures to protect the customer information you hold.

While PIPEDA sets the national baseline, think of Quebec's Law 25 as a significant upgrade that moves the goalposts for data protection.

# The Upgrade: What is Quebec's Law 25?

Law 25 (formerly known as Bill 64) is Quebec's major privacy reform, designed to be much stricter than PIPEDA and more aligned with modern, global standards like Europe's GDPR. It introduces several new and powerful provisions, including mandatory breach notifications and major changes to consent, individual rights, and penalties.

This legislation represents a fundamental shift in how businesses operating in Quebec must approach data privacy, raising the bar significantly above federal requirements and creating new obligations that demand careful attention and strategic implementation.

# Three Game-Changing Provisions of Law 25

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## Stronger Consent Rules

Consent can no longer be vague or buried in the fine print. Under Law 25, it must be explicit and informed, meaning customers must clearly and actively agree to their data being used. This means pre-checked boxes and vague "I agree" statements are no longer enough. Consent must be a clear and unambiguous "yes."

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## Right to Be Forgotten

Individuals now have the legal right to ask a company to delete their personal information, and the company must comply with the request. This empowers consumers with unprecedented control over their digital footprint.

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## Severe Penalties

The financial consequences for breaking the rules are now much more serious. Fines for non-compliance can be up to **\$25 million CAD or 4% of global revenue**. This is a major change from the limited fines under previous rules.

These new rules create a clear distinction between the federal standard and Quebec's higher expectations, fundamentally changing the compliance landscape for businesses.

# Key Differences: PIPEDA vs. Law 25 at a Glance

This table provides a clear, side-by-side comparison of how the two laws handle key privacy requirements, highlighting the significant differences businesses must navigate.

Requirement	PIPEDA (Federal)	Law 25 (Quebec)
Consent	Implied or express, depending on context	Explicit, informed, renewed regularly
Right to be Forgotten	Not explicitly included	Mandatory upon request
Breach Notification	Recommended but not always mandatory	Mandatory to CAI* + impacted individuals
Penalties	Limited enforcement fines	Up to \$25M CAD or 4% of global revenue
Audit Readiness	General compliance documentation	Full lifecycle audit logs & proof of consent

 **\*CAI:** Commission d'accès à l'information du Québec

As the table shows, Law 25 raises the stakes significantly for any business operating in Quebec. The requirements around consent, individual rights, audit readiness, and financial penalties demand a much more proactive and careful approach to data privacy.

# The "So What?": Why Compliance is a Competitive Advantage



If you're looking at these rules and only seeing a compliance burden, you're missing the biggest opportunity. Don't view these laws as a checklist of penalties to avoid. Frame them as a blueprint for building a resilient, high-trust brand.

Thinking about compliance this way transforms it from a cost into an investment in the company's future, creating tangible business value that extends far beyond regulatory requirements.

## **Builds Customer Trust**

When a company is transparent and actively protects customer data, it builds loyalty and makes customers more likely to stick around. Trust becomes a differentiator in crowded markets.

## **Ensures Audit Readiness**

Being prepared for checks from regulators means less business disruption and proves the company is well-managed. Proactive compliance reduces risk and operational friction.

## **Strengthens Market Credibility**

A compliant organization is seen by partners, investors, and customers as more responsible, resilient, and professional. Compliance becomes a competitive advantage.

# Turning Rules into a Strategy

The shift from the federal PIPEDA standard to Quebec's much stricter Law 25 represents a significant change in Canada's privacy landscape. For any business with customers in Quebec, understanding and adapting to these new, higher standards is not optional—it's essential for sustainable growth and market leadership.

Ultimately, mastering this new privacy landscape isn't about avoiding fines—it's about building the currency of the modern economy: trust. By embedding the principles of Law 25 into your operations, you are not just complying with regulations; you are future-proofing your business and earning the loyalty of a new generation of privacy-conscious consumers.

"Privacy compliance is no longer a legal checkbox—it's a strategic imperative that defines how customers perceive and engage with your brand in the digital age."

# Ready to Strengthen Your Privacy Compliance?



## Schedule a Consultation

Our dedicated enterprise solutions team is ready to discuss your warranty program and claims administration requirements. Learn how our industry-leading solutions can enhance your warranty offerings and streamline claims operations.



## Business Hours

Our business development and program administration teams are available Monday through Friday from 9:00 AM to 5:00 PM EST to answer your questions and provide expert guidance.

# Get in Touch

## Phone

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Speak directly with our team  
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Send us your questions anytime

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We look forward to partnering with you to navigate Canada's evolving privacy landscape and build a compliance strategy that protects your customers and strengthens your business.