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Updated Cost Estimate for An Act for the Substantive Equality of Canada's Official Languages



OFFICE OF THE PARLIAMENTARY BUDGET OFFICER
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The Parliamentary Budget Officer supports Parliament by providing economic and financial analysis for the purposes of raising the quality of parliamentary debate and promoting greater budget transparency and accountability.

This report presents an updated cost estimate for *An Act for the Substantive Equality of Canada's Official Languages* and its associated regulations.

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Highlights

The estimated fiscal cost to the federal government of implementing the *Use of French in Federally Regulated Private Business Act* (UFPBA) is \$50.2 million over the 5-year period from 2027-28 to 2031-32. This primarily reflects additional full-time equivalents needed at the Office of the Commissioner of Official Languages of Canada to handle the anticipated increased volume of complaints.

The UFPBA is estimated to impose \$81.9 million in private-sector compliance costs over the same 5-year period. The costs are largely attributable to language training requirements for employees of federally regulated private businesses (FRPB), as well as some costs for translation and new signage in French.

Language training represents the largest component of private-sector compliance costs, totalling \$61.9 million over 5 years. This includes \$41.6 million in regions with a strong francophone presence and \$20.3 million in Quebec, reflecting a lower number of employees requiring training in that province given the existence of the *Charter of the French Language* (CFL).

PBO's private-sector cost estimate is lower than costs forecast in the government's Regulatory Impact Analysis Statement, mainly because the PBO estimate identifies a smaller population of FRPBs as being subject to the UFPBA and assumes a higher proportion of FRPBs in Quebec already comply with the province's CFL regime, based on more recent data.

Summary

The Standing Senate Committee on Official Languages requested that the Parliamentary Budget Office (PBO) provide an updated cost estimate of *An Act for the Substantive Equality of Canada's Official Languages*, formerly known as Bill C-13 in the 44th Parliament. PBO previously published a cost estimate on Bill C-13 in 2022. Following Royal Assent on June 20, 2023, the legislation amended the *Official Languages Act* (OLA) and established the *Use of French in Federally Regulated Private Businesses Act* (UFPBA). More recently, draft regulations have been released for the UFPBA and certain provisions of the OLA.

The UFPBA will require federally regulated private businesses above a certain size in Quebec and in other regions with a strong francophone presence (RSFPs) to provide the employees with the right to work in French and provide consumers with the right to receive services in French. The Commissioner of Official Languages will be responsible for overseeing compliance and may intervene where a business subject to the UFPBA does not fulfil its obligations.

The UFPBA is not currently in effect. It will come into effect in Quebec on a day to be fixed by order-in-council and will come into force in the designated regions two years later.

Draft regulations have also been released under the OLA to provide for Administrative Monetary Penalties (AMPs), which could apply if an implicated entity fails to provide adequate service in French to consumers. These regulations would only apply to Air Canada, VIA Rail, Marine Atlantic and 21 airport authorities.

The third set of regulations relates to Part VII of the OLA, which requires most federal entities to take positive measures to support the substantive equality of the official languages, including considering how policies may affect the use of the official languages.

In developing these estimates, PBO assumed that all relevant legislative and regulatory provisions come into effect on April 1, 2027. Under this assumption, the estimated fiscal cost to the federal government of the UFPBA is \$50.2 million between 2027-28 and 2031-32. PBO estimates that the private sector compliance costs for the UFPBA will be \$81.9 million over the same period, reflecting mostly language training costs.

Background

The Standing Senate Committee on Official Languages (OLLO) requested that the Parliamentary Budget Office (PBO) provide an updated cost estimate of *An Act for the Substantive Equality of Canada's Official Languages*, formerly known as Bill C-13 in the 44th Parliament.¹

The act received Royal Assent on June 20, 2023. It amended the *Official Languages Act* (OLA) and established the *Use of French in Federally Regulated Private Businesses Act* (UFPBA).

Draft regulations for the UFPBA were recently released. The UFPBA is not currently in effect. It will come into effect in Quebec on a day to be fixed by order-in-council and will come into force in designated regions with a strong francophone presence two years later.

Two additional sets of draft regulations have also been released. One set relates to administrative monetary penalties (AMPs), which would only apply to certain transportation entities. The other relates to Part VII of the OLA, which requires most federal entities to take positive measures to support the equality of the official languages, including considering the impact of policies and programs on the use of the official languages.

UFPBA regulations

The proposed UFPBA regulations and Regulatory Impact Assessment Statement were published in Part 1 of the Canada Gazette on July 18, 2026.² They are under a consultation period until February 27, 2027.

The UFPBA will apply in Quebec and in regions with a strong francophone presence (RSFPs). These regions were identified by the government using Statistics Canada data and demographic criteria related to the size and concentration of francophone populations.³ The regions include:

- all of New Brunswick
- 3 census divisions in Nova Scotia
- 8 census divisions in Ontario
- 21 census tracts in Winnipeg
- 1 census tract in Edmonton

Federally regulated private businesses (FRPBs) meeting prescribed employment thresholds will be subject to the UFPBA.⁴ In RSFPs, businesses with 100 or more employees are subject to the UFPBA, while this number is 25 or more employees in Quebec. Consumers will have the right to communicate with, and receive services from, these businesses in French. Employees of these businesses will have the right to work in French.⁵

Affected businesses in Quebec will be able to choose between being subject to the UFPBA or to Quebec's *Charter of the French Language* (CFL).⁶ Since June 2025, private businesses with at least 25 employees have been subject to the CFL's regime. According to the federal Regulatory Impact Analysis Statement (RIAS), 49 per cent of FRPBs in Quebec held a francization certificate under the CFL as of January 2026.⁷ More recent data from the Office québécois de la langue française (OQLF) indicates that this share had increased to 76 per cent as of August 31, 2026.⁸ Businesses that satisfy the CFL requirements are not expected to incur significant additional costs due to the UFPBA and regulations.

The costs for the UFPBA are two-fold. First, the government will incur implementation and enforcement costs. Secondly, there will be private sector costs associated with the new requirements under the UFPBA.

If the Commissioner of Official Languages (COL) receives a complaint regarding a FRPB under the UFPBA, the Commissioner may investigate the complaint. Where corrective action is warranted, the Commissioner may enter into compliance agreements or issue orders. Continued non-compliance may ultimately result in proceedings before courts. As well, the Commissioner has the power to refer certain complaints about employee rights to the Canada Industrial Relations Board (CIRB).

The level of French in affected private business varies across regions and sectors. For example, based on Statistics Canada data, 37 per cent of sales and service employees in the banking sector in Ottawa know French, while only 5 per cent in areas covered by the UFPBA in Winnipeg do. That said, the Canadian Bankers Association said in committee that they were unaware of the extent of their members' capacities to provide client services in French in the regions covered by the UFPBA rules but were gathering data.⁹ Another customer-forward area that the UFPBA will affect is Air Travel. While Air Canada is exempt from the UFPBA because it is already subject to the OLA, various airlines will become subject. WestJet said in committee that they were unclear about their number of French-speaking staff members but were gathering data.¹⁰

Modernization of the OLA

The administrative monetary penalty (AMP) regulations under the *Official Languages Act* were published in the Canada Gazette on March 7, 2026.¹¹ The subsequent consultation period is now closed and comments are being reviewed.

The AMP regulations allow the COL to impose financial penalties on certain entities if they do not comply with certain requirements under Part IV of the OLA, which pertain to communications with and services to the public. Specifically, these regulations aim to improve travellers' ability to use the official language of their choice when dealing with transportation companies.

These regulations apply to:¹²

- Air Canada
- Marine Atlantic Inc.
- VIA Rail Canada Inc.
- 21 airport authorities in Canada

If a complaint is received, the COL may investigate the matter and the Commissioner may write a report about the incident and conclude a compliance agreement with the entity. If the entity does not enter into or comply with the compliance agreement, the Commissioner may choose to issue an AMP. The amount of an AMP will depend on the nature and severity of the violation up to a maximum penalty of \$50,000.

The third set of regulations, which are under Part VII of the OLA, aims for federal institutions to take action to promote the equality of French and English.¹³ They also require federal institutions to consider the potential impacts of certain new policies, programs and initiatives on official language minority communities and the use of official languages.

In addition to the costs associated with the regulations, the government has allocated funding to support the broader implementation of the modernized OLA.

Cost estimate

PBO considered the costs of two elements related to the implementation of *An Act for the Substantive Equality of Canada's Official Languages*. The first element is the *Use of French in Federally Regulated Private Businesses Act* (UFPBA), for which we present costs for the federal government as well as the compliance costs for federally regulated private businesses (FRPBs). We also compare our cost estimate to the one published by the government in its Regulatory Impact Analysis Statement (RIAS) and to PBO's previous estimate published in 2022. Factors that could influence the cost estimate are provided in the uncertainty section.

The second element is the modernization of the *Official Languages Acts* (OLA), for which we present costs for the federal government. The only potential costs for the regulated entities are the administrative monetary penalties (AMPs) under Part IV of the OLA, to which only Air Canada, Marine Atlantic, VIA Rail, and 21 airport authorities will be subject. Given the unpredictable number of penalties that will be issued, they were not estimated.

1. UFPBA Regulations

Costs to the Federal Government

Table 1 presents the projected spending by the federal government in relation to the UFPBA, which is expected to reach \$50.2 million over 2027-28 to 2031-32.¹⁴

Most of the spending (\$35.6 million) will be incurred by the Office of the Commissioner of Official Languages (OCOL), because of its new duties to investigate complaints made under the UFPBA regime. The volume of complaints is expected to rise gradually, in part because the UFPBA will only be in force in Quebec in the first two years, before extending to regions with a strong francophone presence (RSFPs). The complaints will likely be more complex than those currently being filed under the OLA given the diversity of businesses involved and their uncertain level of co-operation. However, there is a great deal of uncertainty about the volume of complaints that will be received, which will impact OCOL's staffing levels and fiscal costs associated with the UFPBA.

OCOL might refer some more complex or serious language-of-work complaints to the Canada Industrial Relations Board (CIRB), an independent administrative tribunal. The

increased volume of cases for the CIRB will require additional staff at the Administrative Tribunals Support Service of Canada (ATSSC), which provides support services to the CIRB.¹⁵ ATSSC will also require funds for training and modifications to their information systems and may incur costs if new regulations are required. As with the OCOL, these fiscal costs have a great degree of uncertainty, depending on the volume and complexity of complaints under the UFPBA.

Lastly, the Minister of Canadian Heritage is responsible for the administration of the UFPBA. As such, Canadian Heritage (PCH) expects to play a central role in implementing the regulations, particularly in terms of promotion, education, assistance to businesses, and interpretation. PCH was allocated funding of \$8.5 million in the four years preceding the period presented in Table 1.¹⁶ The amounts planned for 2027-28 to 2028-29 were announced in Budget 2024. In the government's Cost-Benefit Analysis of the UFPBA, PCH is incurring ongoing costs for the next 10 years.¹⁷ Therefore, PBO assumed the annual spending announced in Budget 2024 would continue in 2029-30 and onwards.

Table 1

Planned spending on the UFPBA by fiscal year in millions of dollars

Fiscal Year	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	Total
OCOL	4.6	6.4	8.2	8.2	8.2	35.6
ATSSC (CIRB)	1.1	1.1	2.2	2.2	2.2	8.7
PCH	1.2	1.2	1.2*	1.2*	1.2*	5.9
Total	6.9	8.7	11.6	11.6	11.6	50.2

Source:

Information requests IR0934 and IR0935, and UFPBA Cost-Benefit Analysis Report.

Note:

Totals may not add due to rounding.

* Budget 2024 announced amounts until 2028-29, but PBO assumes this spending by PCH will be ongoing.

Private sector compliance costs

For this cost estimate, PBO assumes that the UFPBA comes into force on April 1, 2027. On this date, the UFPBA would only apply to Quebec, and it would apply in RSFPs beginning on April 1, 2029.

Table 2 presents the PBO's estimate of private-sector compliance costs associated with the UFPBA. These costs are estimated at \$81.9 million over five years and are primarily attributable to language training (\$61.9 million).

Table 2

Spending by private businesses by fiscal year in millions of dollars

Fiscal Year	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	Total
Training	17.6	10.2	29.8	2.2	2.2	61.9
Translation	1.8	2.7	5.0	5.0	4.3	18.8
Signage	-	0.5	0.6	-	-	1.1
Total	19.4	13.4	35.4	7.1	6.5	81.9

Source:

PBO calculations.

Note:

Totals may not add due to rounding.

Training

Businesses subject to the UFPBA are expected to incur the costs of French training for some of their employees. PBO expects there to be costs to initially bring workers up to a sufficient standard of French, as well as costs to maintain French skills in subsequent years.

For sales and service workers, PBO compared the prevalence of French-speaking workers in the affected industries to the potential demand for French among each region's population. To determine the percentage of French-speaking sales and service employees in a given industry and region, PBO used custom data of the 2021 census from Statistics Canada. A region's potential demand for French-language services is the percentage of a region's population that have French as a mother tongue or speak French at home based on publicly available census data.¹⁸ If the potential demand is higher than the percentage of sales and service staff in an industry who are proficient in French, PBO assumes that businesses will provide sufficient language training to close the gap.

PBO assumes that businesses primarily address French-language proficiency gaps by training existing employees rather than hiring additional bilingual workers. This reflects labour market constraints and statutory protections that limit employers' ability to replace existing employees solely on the basis of language proficiency.

PBO assumes that those businesses will also incur initial training costs to ensure that a sufficient proportion of managers are proficient in French. For RSFPs, the assumed proportion depends on the potential demand from employees to be supervised in French, in a given region and industry, and is based on assumptions similar to those used in the government's RIAs.¹⁹ Potential demand for French supervision is based on the share of employees that speak French in a given region and industry.²⁰

Table 3

PBO assumptions on required French proficiency of managers in RSFPs

Potential demand for French supervision in the region and industry	Assumed share of managers who need to know French
Less than 20%	40%
20% to 40%	50%
40% to 60%	70%
More than 60%	80%

In Quebec, PBO assumes that 98 per cent of managers of federally regulated entities will be required to be proficient in French to meet the new requirements. Given the prevalence of French in the province, PBO assumes that a small share of managers (2 per cent) may continue to work in predominantly English-language environments without causing businesses to contravene the UFPBA.

Training costs can vary between workers due to different initial knowledge of French, as well as the learning methods used. For the initial training costs to bring workers to a satisfactory level, PBO used a mid-range estimate informed by its 2022 report and by the range of language training costs reported in the government's Cost-Benefit analysis.²¹ This estimate includes both direct training expenses and indirect costs arising from time spent in training, such as lost productivity or replacement staffing costs. After the initial training, workers are expected to need a smaller amount of training each year to maintain their French.

Table 4 breaks down the training costs between Quebec and RSFPs, showing that training costs are expected to be \$20.3 million in Quebec and \$41.6 million in RSFPs.²² Businesses in Quebec are expected to start incurring training costs as soon as the UFPBA comes into effect. Businesses in RSFPs are expected to start training their workers 6

months before they become subject to the UFPBA. The most recent statistics from OQLF have 76 per cent of FRPBs in Quebec already certified. PBO assumed that only the remaining 24 per cent of FRPBs would incur costs to comply with the UFPBA given that they have not yet obtained a certification under the CFL.²³

Table 4

Training costs for private businesses by fiscal year in millions of dollars

Fiscal Year	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	Total
Quebec	17.6	0.7	0.7	0.7	0.7	20.3
RSFPs	-	9.5	29.1	1.5	1.5	41.6
Total	17.6	10.2	29.8	2.2	2.2	61.9

Source:

PBO calculations.

Note:

Totals may not add due to rounding.

Translation

The UFPBA will introduce new requirements for documentation in French, both for internal purposes with employees and for service with clients. PBO estimates this translation cost to be \$18.8 million over 5 years and is the second-largest private sector cost after training.

PBO assumes that translation costs are incurred primarily at the business level rather than at each individual location. If a business has more than one location, the head office/main location is expected to incur the translation costs. Accordingly, translation costs are estimated based on the number of affected businesses rather than the number of establishments.

PBO expects translation requirements to vary by business size and region. For example, a large business operating in Quebec is likely to already have most documents available in French, while a smaller business in an RSFP may need to translate a larger share of its documentation.

To estimate translation costs, PBO used information from the government's Cost-Benefit Analysis, including assumptions regarding the amount of translation required by different types of businesses and the average compensation of translators.²⁴ PBO used

this information to estimate the number of translator full-time equivalents required and projected compensation costs forward using internal projections for inflation.²⁵

PBO assumes that businesses with operations in Quebec begin incurring translation costs when the UFPBA comes into force. Businesses operating only in RSFPs are assumed to start translating documents six months before the UFPBA comes into effect for them, in anticipation of the new requirements.²⁶

Signage

Lastly, the UFPBA introduces new requirements respecting the use of French in signage. PBO estimates this cost to be \$1.1 million over 5 years. PBO expects that businesses in Quebec already comply with these requirements and therefore considers any additional signage costs to be negligible.

PBO expects businesses in RSFPs will need to replace their signage to comply with the UFPBA. PBO only estimates the cost of new permanent signage, as temporary signage, such as promotional banners to advertise a sale, would typically be replaced periodically even in the absence of the UFPBA.

Consistent with the government's Cost-Benefit Analysis, PBO assumes that 20 per cent of federally regulated businesses would have replaced permanent signage in the normal course of business operations even without the UFPBA. The remaining sites requiring new signage are estimated using the number of affected businesses, the average number of sites per business, and the estimated cost of a sign. PBO uses the Cost-Benefit Analysis estimate of approximately \$5,000 per sign and indexes this amount for inflation each year after 2027. PBO assumes that businesses begin incurring signage costs 6 months before the UFPBA comes into effect in RSFPs and will finish incurring signage costs 6 months after the UFPBA comes into effect.

Comparison to other estimates

PBO estimates total private-sector costs at \$81.9 million over five years, which is approximately \$148 million lower than the \$230 million estimated for the first five years in the government's UFPBA Cost-Benefit Analysis and RIAS.²⁷ Most of the difference is attributable to lower estimates in training (-\$108 million) and translation (-\$37 million). The difference is due to the PBO using more granular data to identify which industries are federally regulated and assuming a higher share of businesses in Quebec not being subject to the UFPBA as they already comply with the CFL regime (based on more recent

OQLF data). This leads to fewer employees and businesses being subject to the UFPBA than in the government's estimates.

PBO did not estimate certain compliance costs included in the government's Cost-Benefit Analysis, such as the time cost of sitting on a committee for the fostering of French and the administrative reporting burden.²⁸ These costs are each estimated at less than a millions dollar per year in the government's analysis.

Compared to the PBO's 2022 report, the estimated private sector costs in the current report are lower. In the 2022 PBO report, the private sector costs were estimated at \$240 million in one-time costs in the first year the UFPBA is in effect, and \$20 million in ongoing costs each year after. Broken down by regions, the initial costs were estimated at \$37 million in Quebec and \$203 million in RSFPs. The ongoing costs were estimated at \$3 million per year in Quebec and \$17 million per year in RSFPs.²⁹ The estimates from the 2022 report were higher than the current estimates because of uncertainty at the time regarding the contents of the regulations (which regions would be considered RSFPs, the size of the businesses subject to UFPBA, etc.)

Another important difference is that the 2022 report assumed that affected businesses would train all managers to be proficient in French to satisfy the right to work in French of some employees. In the current report, PBO assesses that a lower share of managers proficient in French will be sufficient to meet the requirements.

Finally, the previous report assumed businesses would need to pay a higher wage for the bilingual employees. However, the current academic literature presents mixed results about whether bilingual (English and French) employees are paid more than unilingual employees. As such, PBO does not include any wage premium in its calculations. In any case, given the various geographies that are covered by the UFPBA, and that wages and hiring can be impacted by macroeconomic conditions, there is uncertainty about whether the UFPBA could impact wages.

Sources of uncertainty

The custom census data from Statistics Canada that is used to determine a person's knowledge of French and potential demand for French is self-reported and may reflect different levels of actual proficiency across respondents. The census data reflects the number of workers who know French who live within the affected areas, however, workers may live in other parts of the city.

As well, due to data constraints, PBO was unable to estimate the number of businesses that will be exempt from the UFPBA. This leads to an overestimation of the private sector costs, although the extent is expected to be small.

There is uncertainty about the extent to which businesses who need to increase their proportion of French-speaking workers will be able to recruit French-speakers versus the need to train their current staff. It is also possible that some businesses may choose to move outside of areas covered by the UFPBA to avoid compliance, which is beyond the scope of this study.

On the fiscal side, there is uncertainty about the number of complaints that will be received under the UFPBA regime which will impact staffing levels of the OCOL. Given this uncertainty in the OCOL, there is uncertainty about how many complex complaints will be referred to the CIRB and the number of complaints that will ultimately be litigated.

Finally, the impact on the federal government income tax revenue is unclear. The additional costs (training, translation, etc.) should be deductible expenses in the calculation of the businesses' taxable income, which would reduce tax revenue. However, impacted businesses might increase their prices to offset those costs, leaving net income unchanged. Furthermore, the vendors that will provide these training and translation services could see their taxable income increase. Therefore, PBO did not attempt to estimate the impact on income tax receipts.

2. Modernization of the OLA

Table 5 presents spending related to the modernization of the OLA, which is expected to reach \$27.5 million over the 2027-28 to 2031-32 period. Budget 2024 announced \$9.9 million over four years for the Treasury Board Secretariat (TBS) to implement new legislative obligations under C-13. Of this amount, \$5 million was allocated to 2025-26 and 2026-27, and the remaining \$5 million is presented in Table 5. These amounts are intended to support compliance monitoring and development of Part VII regulations, and related policies and instruments.

Table 5

Spending on the OLA modernization by fiscal year in millions of dollars

Fiscal Year	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	Total
TBS: Implementation of C-13	2.5	2.5	-	-	-	5.0
OCOL: Implementation of C-13	2.2	2.2	-	-	-	4.3
TBS: Official Languages Action Plan 2023-2028	1.7	-	-	-	-	1.7
IRCC: Official Languages Action Plan 2023-2028	16.6	-	-	-	-	16.6
Total	22.9	4.6	-	-	-	27.5

Source:

IR0933, IR0934 and IR0936.

Note:

Totals may not add due to rounding.

Budget 2024 also announced \$2.2 million per year to OCOL over 2024-25 to 2028-29 for the implementation of C-13. Note that the actual amount spent in 2024-25 was only \$1.3 million, as the funds were disbursed late in the year. These amounts are intended to support OCOL in implementing its new powers under the OLA, namely alternative dispute resolution, compliance agreements, investigative summaries and orders, as well as to support its new responsibilities under the AMP regime.

In March 2023, before Bill C-13 received Royal Assent, Budget 2023 announced funding for The Action Plan for Official Languages 2023-2028 (which was launched in April 2023).³⁰ TBS was allocated \$7.5 million over five years, of which \$5.9 million have been allocated to the period between 2023-24 and 2026-27; the remaining \$1.7 million are presented in Table 5. These funds are intended for the development of future official languages regulations and guidelines for the interpretation and application of Part VII of the OLA by federal institutions.

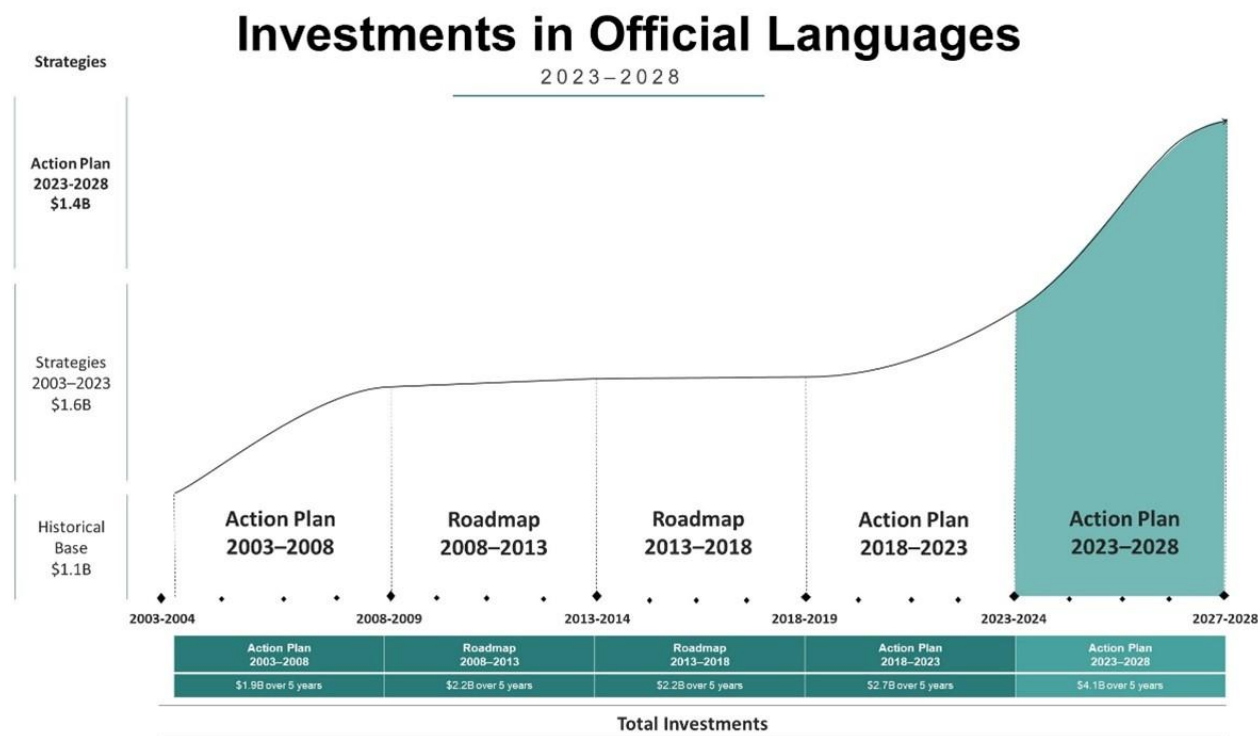
Lastly, as part of the Action Plan for Official Languages 2023-2028, four of the seven initiatives under the responsibilities of Immigration, Refugees and Citizenship Canada (IRCC) were designed to increase francophone immigration in response to a new section 44.1 that was added in part VII of the OLA: "The Minister of Citizenship and Immigration shall adopt a policy on francophone immigration to enhance the vitality of French

linguistic minority communities in Canada, including by restoring and increasing their demographic weight.”

From Table 1 in Annex 1 of the government’s action plan, these four initiatives have a planned funding of \$73.2 million between 2023 and 2028.³¹ In response to IR0933, IRCC identified that \$56.6 million had been allocated to 2023-24 to 2026-27 and the remaining \$16.6 million would be spent in 2027-28 as presented in Table 5 above.

Figure 1, reproduced from the Official Languages Action Plan 2023-2028, profiles spending announced in the plan. As the government has announced sequential five-year plans since 2003, it is likely that a 2028-2033 plan may be released. This study does not assume potential amounts that may be included in such plan.

Figure 1



Source:

Action Plan for Official Languages 2023–2028, Government of Canada.

Notes

¹ PBO previously published in June 2022 a [Cost Estimate for Bill C-13: An Act for the Substantive Equality of Canada's Official Languages](#).

² [Canada Gazette, Part I, Volume 160, Number 29: Use of French in Federally Regulated Private Businesses Regulations](#).

³ An RSFP must be either

- a census division with a minimum of 20% potential demand for French, or
- a census tract with of at least a minimum of 10% potential demand for French, if the census tract has at least 1,000 people and is in a census metropolitan area of at least 30,000 people.

Potential demand for French is based on the proportion of the population that has French as a mother tongue and speaks French at home.

⁴ For more information about the businesses to which the UFPBA applies, consult [Canadian Heritage's webpage dedicated to the topic](#).

⁵ Certain businesses are exempt from the UFPBA. These include Indigenous-owned businesses, broadcasting businesses, businesses involved in creating or distributing cultural property that is not in French, businesses that use a language other than French for the purposes of international business or that work within research protocols or international standards that are not in French. If a business is already subject to the OLA, it will not be subject to the UFPBA. Notably, this is the case for Crown Corporations and Air Canada.

⁶ In [May 2026](#), the Commissioner of Official Languages of Canada noted that “although the UFPBA offers the option to choose to be subject to the Charter instead, the opposite option does not appear to be available under the Charter.”

⁷ [Canada Gazette, Part I, Volume 160, Number 29: Use of French in Federally Regulated Private Businesses Regulations](#)

⁸ Calculated from figures provided by the OQLF in email correspondence received on October 5, 2026.

⁹ Committee testimony at the [House of Commons Standing Committee on Official Languages, 45th Parliament, 1st Session, Meeting #35](#) on May 26, 2026 and the [Standing Senate Committee on Official Languages, 45th Parliament, 1st Session, Meeting #20](#) on May 25, 2026.

¹⁰ Committee testimony at the [House of Commons Standing Committee on Official Languages, 45th Parliament, 1st Session, Meeting #36](#) on May 28, 2026.

¹¹ Canada Gazette, Part I, Volume 160, Number 10: [Official Languages Administrative Monetary Penalties Regulations](#)

¹² Note that Marine Atlantic Inc. and VIA Rail Canada Inc. are Crown corporations.

¹³ The draft [Regulations for Advancing the Equality of Status and Use of English and French \(Part VII Regulations\)](#) were tabled in the House of Commons on December 9, 2025. They have not yet been published in the Canada Gazette.

¹⁴ The spending figures for the Office of the Commissioner of Official Languages (OCOL) are from a proposal to secure resources specifically dedicated to implementing the new UFPBA regulations and were obtained by PBO through information request IR0934. Those for the Administrative Tribunals Support Service of Canada (ATSSC) are from the government's cost-benefit analysis of the UFPBA (consult endnote 17).

¹⁵ Specialized services include registry services, legal services and mandate and member services while internal services cover human resources, financial services, information management and technology, accommodation, security, planning, and communications. Consult [ATSSC's Mandate](#) for more information.

¹⁶ PCH spent \$5.1 million over 2023-24 and 2024-25 out of a \$16 million envelope for four departments that was announced in the 2021 Economic and Fiscal Update. It also spent another \$2.1 million in 2025-26 and plans to spend \$1.3 million in 2026-27 out of a \$26 million envelope for three departments announced in Budget 2024.

¹⁷ *Proposed Regulations Under the Use of French in Federally Regulated Private Businesses Act (the Act or the UFPBA): Cost-Benefit Analysis*. Canadian Heritage. Spring 2026. PBO obtained this analysis through IR0935 to PCH, but the RIAS published in the Canada Gazette indicates that the Cost-Benefit Analysis Report is available upon request.

¹⁸ [Census Profile, 2021 Census of Population](#)

¹⁹ PBO's 2022 report assumed that all managers would need to know French as in the federal public service model in the National Capital Region. However, it is now deemed more likely for businesses to only have as many managers who know French as necessary to not contravene the UFPBA.

²⁰ The number of French speaking managers and employees by region and industry was obtained through custom tabulations from Statistics Canada.

²¹ The data on training costs per worker comes from the PBO's [Cost Estimate for Bill S-209: An Act to amend the Official Languages Act \(communications with and services to the public\)](#). This was also the basis for the training costs in PBO's 2022 report. The estimate is within the range of training costs in the government's UFPBA Cost-Benefit Analysis, which notes that there is a high degree of uncertainty surrounding these costs.

²² Translation costs are not broken down by Quebec and RSFPs. Head offices are assumed to incur the translation costs for a company with multiple locations. Some companies have locations in both Quebec and RSFPs. As such, a breakdown of Quebec versus RSFPs comparable to the breakdown for the training costs was not deemed appropriate.

There is no breakdown for signage costs because PBO assumes that compliance in Quebec is high and that signage costs would be immaterial.

²³ In 2022, Quebec legislature passed Bill 96, which required by June 2025, that all businesses of 25 employees or more, including FRPBs, would need to obtain a certificate of compliance with the CFL from the Office québécois de la langue française (OQLF). To the extent that all FRPBs in Quebec should already comply with the CFL, the coming into force of the UFPBA will not generate any additional costs for these businesses. While there seems to be some consensus in the doctrine that Quebec can impose French language rights to federally regulated businesses, the constitutionality of that law has not been challenged yet. For example, consult: Otis, G. et Robitaille, D. (2017). L'inapplicabilité de la Charte québécoise des droits aux entreprises fédérales : mythe ou réalité? *Revue générale de droit*, 47(1), 77–117 and David Robitaille et Pierre Rogué (2013). La Charte de la langue française : une entrave aux activités essentielles des entreprises privées de compétence fédérale au Québec? *Revue de Droit de l'Université de Sherbrooke*, 43(3), 645-708. Full article only available in French.

²⁴ Consult endnote 17.

²⁵ Since the publication of the [Economic and Fiscal Outlook – June 2026](#) (EFO June 2026), actual data for the second quarter of 2026 has become available for the Consumer Price Index (CPI). For subsequent quarters in this report, PBO grew the actual CPI data by the CPI growth rates from the EFO June 2026 projection.

²⁶ Consult endnote 22.

²⁷ PBO obtains this figure by converting the constant 2024 dollars figures in the Cost-Benefit Analysis into current dollars using its internal CPI projections. Given that the government's cost-benefit analysis assumed the UFPBA would be in effect on January 1, 2027, while the PBO assumes it will be April 1, 2027, we have compared the costs from the government's analysis over the first five calendar years (2027 to 2031) with those from the PBO over the first five fiscal years (2027-28 to 2031-32). The \$230 million amount converted from the cost-benefit analysis excludes the costs of "Fostering of French" and "Administration" to be comparable with the PBO estimate that did not include these costs.

²⁸ The RIAS indicates that FRPBs subject to the UFPBA with 100 or more employees in Quebec would be required to establish a committee for the fostering of French. Outside Quebec, FRPBs with worksites and points of service in an RSFP and 500 or more employees across Canada (with 100 or more of these working in an RSFP) would be required to establish a committee for the fostering of French.

²⁹ The 2022 report did not provide the breakdown between Quebec and RSFP as it only presented the \$240 million and \$20 million totals.

³⁰ The [Action Plan for Official Languages 2023-2028](#) is a \$4.1 billion plan that involves multiple federal departments. Most of this funding is not directly tied to Bill C-13.

³¹ The four initiatives are: Francophone immigration policy: Towards a new, integrated approach; Targeted expansion of promotion and recruitment support; Corridor for the selection and retention of French teachers in Canada; and A Centre for Innovation in Francophone Immigration, including a new grant-and-contribution program in support of Francophone immigration.

Errata Log

2026-10-13, 09:00 a.m.	Publication
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2026-10-14, 04:07 p.m.	There was an error in the text describing the difference between PBO's estimate of private-sector compliance costs and the government's cost-benefit analysis. It should have read that PBO's estimate is approximately \$148 millions lower instead of approximately \$158 million lower in the original text.
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