#### Note • Bill C-71

# Amending the Citizenship Act (2024)

# Legislative Costing Note

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Bill C-71 aims to amend the Citizenship Act, conferring citizenship by descent to those born outside Canada, whether in the first or subsequent generations, before or after the bill's enactment, provided they have a Canadian citizen parent who meets specific criteria. Additionally, it extends citizenship under section 5.1 of the Act to anyone born abroad and adopted by a Canadian citizen parent, regardless of when the adoption occurred, as long as certain conditions are met. The bill also reinstates citizenship for individuals who lost it under the former section 8 of the Act and allows those who were citizens or born to a parent or grandparent who would have been a citizen if not for their death, to reclaim their citizenship, with some exceptions. Lastly, it permits certain individuals who gain citizenship through this bill to renounce it if they choose.

The bill is assumed to come into force on April 1<sup>st</sup>, 2025, and persons affected by the bill are assumed to apply during their first year in which they become eligible.<sup>1</sup> The Parliamentary budget Officer (PBO) estimates a total net cost of the proposed amendments to the Citizenship Act to be \$20.8 million over five years, beginning in 2025-2026. The total number of persons that would be affected is estimated to be around 115,000 over the same period.

#### 5-Year Cost

#### \$ millions

 Fiscal year
 2025-2026
 2026-2027
 2027-2028
 2028-2029
 2029-2030
 Total

 Total cost
 16.8
 1.0
 1.0
 1.0
 1.0
 20.8

<sup>&</sup>lt;sup>1</sup> In order to take into account the full cost of the bill, we assumed all persons affected by the bill to apply during the first year in which they become eligible.

### Detailed 5-Year Cost

#### \$ millions

Fiscal year	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Total
Cost	25.7	1.5	1.5	1.5	1.5	31.7
Cost recovery	-8.9	-0.5	-0.5	-0.5	-0.5	-10.9
Total cost after recovery	16.8	1.0	1.0	1.0	1.0	20.8

### Notes

- · Estimates are presented on an accrual basis as would appear in the budget and public accounts.
- · A positive number implies a deterioration in the budgetary balance (lower revenues or higher spending). A negative number implies an improvement in the budgetary balance (higher revenues or lower spending).
- · Totals may not add due to rounding.

## Estimation and Projection Method

The total cost of Bill C-71 is calculated as the sum of the costs of processing new proof or grant of citizenship applications and additional consular services resulting from the proposed amendments to the Citizenship Act.<sup>2</sup>

The cost of processing new proof or grant of citizenship applications and the cost of consular services were estimated by multiplying the total number of persons who would be affected by the bill by the average cost of a citizenship certificate or grant application and the average cost of consular services respectively.<sup>3</sup> The average cost of a citizenship certificate or grant application and the average cost of consular services were estimated using data provided by Immigration, Refugees and Citizenship Canada (IRCC) and Global

generation limit would apply for a grant of citizenship.

<sup>&</sup>lt;sup>2</sup> Persons to whom the citizenship by descent is conferred would apply for a proof of citizenship (citizenship certificate) to prove their new status. Persons adopted by a Canadian citizen and limited by the first-

<sup>&</sup>lt;sup>3</sup> The average cost of consular services includes the average cost of both regular and non-regular consular services. Regular services include assistance for Canadians missing, detained, abducted, distressed, injured, or deceased abroad, and for their families and representatives in Canada or elsewhere. Non regular services include assistance with repatriation or assisted departures for Canadian citizens and their immediate family members in times of crisis. The average cost of both services was estimated by dividing the total cost by the total number of Canadian citizens living abroad.

Affairs Canada (GAC) respectively. Average costs were projected using PBO's Consumer Price Index growth rate.

To estimate the number of persons affected by the bill, we first estimated the total number of persons that could potentially claim their citizenship with the coming into force of the bill. Subsequently, we multiplied this number by a take-up rate to obtain the total number of persons affected by the bill.<sup>4</sup> The take-up rate was estimated using data from IRCC and Bérard-Chagnon and Canon (2022).

The total number of persons that could potentially claim their citizenship consists mainly of a) the number of Canadians by descent born outside of Canada between February 15, 1977 and April 17, 1981 and who have derived their citizenship from a Canadian by descent parent and did not apply to retain their citizenship before the age of 28; b) the children of these persons; c) the children of Canadians by descent who were born after the coming into force of the first-generation limit on citizenship on April 17, 2009; and d) the number of adoptees of Canadians by descent. <sup>5,6,7</sup>

To obtain the number of persons corresponding to each category identified above, we used estimates of the number of Canadians by descent living abroad in 2016 from Bérard-Chagnon and Canon (2022). We projected this number over the 1977 to 2030 period using Statistics Canada population historical data and projections and assumed that the population of Canadians by descent living abroad grows by the same rate as the Canadian population. We then estimated the number of children born abroad in the second or subsequent generations, between February 15, 1977 and April 17, 1981 or after the implementation of the first generation limit in 2009, to a Canadian citizen parent, using Statistics Canada population data.<sup>8</sup> Finally, we estimated the number of adoptees of Canadians by descent by multiplying the total number of children of Canadians by descent

<sup>&</sup>lt;sup>4</sup> IRCC does not have the number of individuals who have lost their citizenship, nor does it track the number of Canadians living abroad who give birth.

<sup>&</sup>lt;sup>5</sup> According to our discussions with IRCC and GAC, the number of persons born outside of Canada in the first generation and need bill C-71 to get their citizenship is very small.

<sup>&</sup>lt;sup>6</sup> Changes to the first-generation limit on citizenship.

<sup>&</sup>lt;sup>7</sup> According to the literature, the number of persons who renounced their citizenship in the past is very small and has no material impact on the cost of the bill.

<sup>&</sup>lt;sup>8</sup> Canadians by descent born outside of Canada between February 15, 1977 and April 17, 1981 and who have derived their citizenship from a Canadian by descent parent but applied to retain their citizenship before the age of 28, and their children were removed from the analysis.

affected by the bill by the ratio of adoptees to newborn children estimated using Statistics Canada population data and data from the Vanier Institute of the Family (2024).<sup>9</sup>

# Sources of Uncertainty

Data on Canadians living abroad are estimates and therefore subject to uncertainty. As a result, the total number of individuals that would be affected by the bill also contains a level of uncertainty. Furthermore, the take-up rate may be impacted by different factors which will affect the cost of the bill. No further behavioural responses are expected.

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#### **Data Sources**

Average cost of a citizenship certificate or grant application Immigration, Refugees and Citizenship Canada (IRCC).

Average cost of consular services Global Affairs Canada (GAC).

PBO's projections of Consumer Price Index Parliamentary Budget Officer.

Number of Canadians by descent living abroad over the 1977-2030 period Statistics Canada population historical data and projections and the paper of Bérard-Chagnon and Canon (2022), "The Canadian diaspora: Estimating the number of Canadian citizens who live abroad".

<sup>&</sup>lt;sup>9</sup> Canadians by descent are assumed to have the same ratio of adopted to born children as Canadians who in turn are assumed to have the same ratio of adopted to born children as Quebecers. The reason for that is that only Quebec has centralized data on both provincial and international adoptions in the province.

Number of children born abroad in the second or subsequent generations, between February 15, 1977 and April 17, 1981 or after the implementation of the first generation limit in 2009, to a Canadian citizen parent

Statistics Canada population historical data and projections and the paper of Bérard-Chagnon and Canon (2022), The Canadian diaspora: Estimating the number of Canadian citizens who live abroad.

### The take-up rate of persons affected by the bill

Immigration, Refugees and Citizenship Canada and Bérard-Chagnon and Canon (2022), "The Canadian diaspora: Estimating the number of Canadian citizens who live abroad".

### The number of adoptees of Canadians by descent

Statistics Canada population historical data and projections and the Vanier Institute of the Family (2024), "Families Count 2024, Family Structure".

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