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Legislative Summary

BILL C-2: AN ACT RESPECTING CERTAIN MEASURES RELATING TO THE SECURITY OF THE BORDER BETWEEN CANADA AND THE UNITED STATES AND RESPECTING OTHER RELATED SECURITY MEASURES

45-1-C2-E

24 September 2025

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For clarity of exposition, the legislative proposals set out in the bill described in this legislative summary are stated as if they had already been adopted or were in force. It is important to note, however, that bills may be amended during their consideration by the Senate and House of Commons and have no force or effect unless and until they are passed by both houses of Parliament, receive Royal Assent and come into force.

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Legislative Summary of Bill C-2
(Preliminary version)

45-1-C2-E

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LEGISLATIVE SUMMARY OF BILL C-2, AN ACT RESPECTING CERTAIN MEASURES RELATING TO THE SECURITY OF THE BORDER BETWEEN CANADA AND THE UNITED STATES AND RESPECTING OTHER RELATED SECURITY MEASURES

1 BACKGROUND

On 3 June 2025, the Honourable Gary Anandasangaree, Minister of Public Safety and Emergency Preparedness (Minister of Public Safety), tabled Bill C-2, An Act respecting certain measures relating to the security of the border between Canada and the United States and respecting other related security measures (short title: Strong Borders Act).[1] It received its first reading on the same day.

Bill C-2 aims to strengthen Canadian national security by providing law enforcement with enhanced tools to secure the country's borders, disrupt transnational organized crime and the influx of illegal fentanyl, and combat money laundering. According to the federal government, these modifications will reinforce Canada's ability to counter increasingly sophisticated criminal networks, and enhance the integrity and fairness of Canada's immigration system while safeguarding both Canadians' privacy and rights under the *Canadian Charter of Rights and Freedoms* (Charter).[2] On 19 June 2025, the Minister of Justice's Charter Statement for Bill C-2 was tabled in the House of Commons.[3]

More precisely, regarding securing the Canadian border, Bill C-2:

- amends the *Customs Act*[4] by introducing a new obligation for owners and operators of ports of entry or exit to provide and maintain facilities for Canada Border Services Agency (CBSA) enforcement activities, and expand the authority of the CBSA to access transporter and warehouse premises for examining goods destined for export (Part 1 of the bill);
- amends the *Oceans Act*[5] by expanding the Canadian Coast Guard's mandate to include security activities – particularly in remote Arctic waters – enabling it to conduct patrols and collect, analyze, and share security-related intelligence (Part 5);
- amends the *Sex Offender Information Registration Act*[6] (SOIRA) by enhancing the ability of the Royal Canadian Mounted Police (RCMP) to share information collected on registered sex offenders with domestic and international law enforcement partners (Part 13); and
- amends the *Immigration and Refugee Protection Act* (IRPA)[7] and the *Department of Citizenship and Immigration Act*[8] to improve information sharing, enhance document control, and to modernize the asylum system by protecting it against sudden increases in claims (Parts 6 to 9).

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On combatting transnational organized crime and the flow of illegal fentanyl, Bill C–2:

- amends the *Controlled Drugs and Substances Act* (CDSA)[9] to create an accelerated process allowing the Minister of Health to quickly regulate precursor chemicals used in illicit drug production, enabling law and border enforcement agencies to act swiftly against illegal importation and use while also ensuring strict federal oversight over legitimate use of these chemicals (Part 2);
- amends the *Criminal Code*[10] and the *Mutual Legal Assistance in Criminal Matters Act* (MLAA)[11] to improve law enforcement's access to essential data in early stages of investigations, and updates the *Canadian Security Intelligence Service Act* (CSIS Act)[12] to modernize the agency's investigative tools to keep pace with modern digital challenges (Part 14);
- introduces a new legislation requiring electronic services providers to maintain capabilities that support law enforcement agencies and Canadian Security Intelligence Service (CSIS) in criminal and intelligence investigations by complying with lawful requests to access or intercept information and communications (Part 15); and
- amends the *Canada Post Corporation Act*[13] to allow police to search mail during criminal investigations, when authorized by an Act of Parliament, and expands Canada Post's authority to inspect mail (Part 4).

Regarding the disruption of illicit financing, Bill C-2 amends the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA)[14] to, among other things:

- strengthen anti-money laundering enforcement by increasing penalties, restricting large and third-party cash transactions, and requiring more businesses to register with the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) (Parts 10 and 11 of the bill);
- expand information sharing by allowing FINTRAC to share data with the Commissioner of Canada Elections and clarifying public-private sharing rules to support the Integrated Money Laundering Intelligence Partnership (Parts 10 and 16); and
- enhance oversight of regulatory compliance by making the Director of FINTRAC a member of the Financial Institutions Supervisory Committee (FISC) and enabling information exchange within FISC (Part 12).

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1.1 CANADA'S BORDER PLAN

In December 2024, the federal government unveiled Canada's Border Plan, backed by a $1.3 billion investment, whose goal is to enhance border security, modernize the immigration system, and support long-term national prosperity.[15] The plan is structured around five key pillars that guide its implementation:

1. detecting and disrupting the fentanyl trade;
2. introducing significant new tools for law enforcement;
3. improving operational coordination;
4. expanding information sharing; and
5. minimizing the volume of unnecessary claims made at the border by temporary residents, asylum claimants and people who cross the border irregularly.[16]

In February 2025, the Government of Canada announced additional measures that are intended to better combat fentanyl trafficking, organized crime and money laundering.[17] Other additional expanded measures were subsequently taken, including the appointment of Kevin Brosseau as the Commissioner of Canada's Fight Against Fentanyl[18] – otherwise known as the Fentanyl Czar – and the listing of cartels as terrorist entities under the *Criminal Code*.[19]

According to the federal government, Bill C-2 is said to be the "next step in the Border Plan" by updating existing laws to bolster the Canadian "response to national and economic security threats and continue to provide a fair, transparent, and well-managed immigration system."[20]

Moreover, the federal government announced that while the bill is a key component of a safe and secure Canada,

> [f]urther action will be announced over the coming months to keep our communities safe, get guns off our streets, and make bail harder to get for repeat offenders charged with car theft, home invasions, human trafficking and drug smuggling.[21]

2 DESCRIPTION AND ANALYSIS

Bill C-2 has 16 parts and 198 clauses. Key clauses are discussed below.

For ease of reference, the information is presented in the same order as it appears in the bill. Unless otherwise specified, provisions come into force on Royal Assent.

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2.1 PART 1: *CUSTOMS ACT* (CLAUSES 2 TO 5 OF THE BILL)

Pursuant to the *Customs Act*, CBSA officers must ensure that goods entering or leaving Canada comply with the applicable laws and regulations. Currently, section 6 of that legislation requires only the owners or operators of transit facilities to provide, equip and maintain free of charge, adequate customs facilities to allow CBSA officers to inspect imported goods.

Part 1 of Bill C-2 amends that provision and other aspects of the *Customs Act* to expand the field of application and better regulate exports.

More specifically, clause 2 of the bill expands the scope of section 6 of the *Customs Act* by requiring owners and operators to provide, equip and maintain free of charge, customs facilities deemed adequate by the Minister of Public Safety for the purposes of executing the CBSA warrant, including the inspection of goods destined for export.

Clause 3 of the bill replaces the heading of Part V of the *Customs Act* to designate that it is henceforth specifically on "Exportation." What is more, clause 4 of the bill introduces sections 97.01 and 97.02 to the *Customs Act*, which require warehouse operators and transporters to allow CBSA officers, at the officer's request, free access to any premises or place and goods destined for export therein.

To facilitate the transition to the implementation of these new measures, clause 5 of the bill prohibits any action or judicial proceeding between the federal government and the owners or operators of the facilities used by the CBSA for the fees related to the use of buildings or other accommodations before the coming into force of the changes to section 6 of the *Customs Act*. In other words, neither the government nor these owners can claim any money from one another for the use of these facilities for carrying out customs activities, such as the inspection of goods destined for export.

2.2 PART 2: *CONTROLLED DRUGS AND SUBSTANCES ACT* (CLAUSES 6 TO 21 OF THE BILL)

Part 2 of the bill mainly introduces amendments to the CDSA creating a new temporary scheduling pathway that allows the Minister of Health to add precursor chemicals to Schedule V of the CDSA.[22]

2.2.1 Ministerial Order and Amendments to the *Controlled Drugs and Substances Act*

The CDSA establishes a framework for controlling drugs and substances, including precursors, listed in Schedules I to VI of the CDSA. The offences and penalties depend on the schedule in which the substance is listed.

Clause 6 of the bill amends the definition of *precursor*[23] in subsection 2(1) of the CDSA by adding the substances listed in Part 2 of Schedule V. It also amends the definition of *controlled substance*[24] (in other words, a controlled substance within the meaning of the CDSA) to include substances in Part 1 of Schedule V of the CDSA which will be discussed below.

Clause 8 of the bill amends section 60.1 of the CDSA to allow the Minister of Health to take into account any relevant information provided by the Minister of Public Safety when the Minister of Health makes an order to add an item to a schedule, and to specify when an item or a portion of an item is deleted.

Clause 9 of the bill creates new section 60.2 of the CDSA to add that the Governor in Council may make regulations authorizing the Minister of Health, notably to add to or delete from, by order, any substance included in Schedule V of the CDSA.

Clause 10 of the bill provides for the replacement of Schedule V of the CDSA with Schedule I set out in the bill. This amendment effectively splits Schedule V of the CDSA into two parts. Part 1 (controlled substances) includes only carisoprodol, a sedative used as a muscle relaxant. It was removed from the list of prescription drugs on 14 April 2025 and added to the CDSA as a controlled substance.[25] Part 2 (precursors) includes three tables. Table 1 sets out class A precursors, including phenethyl bromide and propionic anhydride, precursors with legitimate uses that can be used in illegal fentanyl production.[26] Table 2 sets out class B precursors, or benzyl chloride, which has legitimate uses in other countries, but is also used in illegal fentanyl production.[27] Table 3 includes controlled preparations and mixtures containing precursors, including those mentioned in tables 1 and 2. Unless authorized by regulation or covered by an exemption, activities involving Schedule V substances constitute offences punishable by imprisonment.

2.2.2 Related Amendments to the Precursor Control Regulations

The *Precursor Control Regulations* (PCR), made under the CDSA, classify precursors into two types of categories, either A or B based on their potential for being used illegally.[28]

Clauses 12 to 20 of the bill make related amendments to the PCR, including by creating new section 91.01 to the PCR, to set out the Minister of Health's power to add, by order, a temporarily scheduled precursor to column 1 of Tables 1 or 2 of Part 2 of Schedule V of the CDSA and to indicate a maximum quantity or delete any precursor or any portion of a precursor. A temporarily scheduled precursor refers to a precursor added to column 1 of Tables 1 or 2 of Part 2 of Schedule V of the CDSA. Clause 16 of the bill amends the schedule of the PCR to add phenethyl bromide and propionic anhydride.[29]

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2.3 PART 3: POLICE ENFORCEMENT OF THE *CONTROLLED DRUGS AND SUBSTANCES ACT* AND THE *CANNABIS ACT* (CLAUSES 22 TO 24 OF THE BILL)

Part 3 of the bill amends the CDSA and the *Cannabis Act* to make explicit that the Governor in Council may, on the recommendation of the Minister of Public Safety, make regulations exempting members of law enforcement from the application of certain provisions of the *Criminal Code* that create drug-related inchoate offences when they are undertaking lawful investigations.

2.3.1 *Controlled Drugs and Substances Act*

Clause 22 of the bill adds sections 55(2)(b.1) and 55(2.1)(b.1) to the CDSA. Currently, subsection 55(2) of the CDSA authorizes the Governor in Council, on the recommendation of the Minister of Public Safety, to make regulations to exempt certain people or categories of people and persons under their direction and control from the application of the Act, including in connection with any authorized activities.

The amendment in section 55(2)(b.1) and section 55(2.1)(b.1) of the CDSA seeks to add an explicit regulatory basis allowing to exempt, by regulation, in police investigations, respectively, pursuant to the CDSA or any other federal legislation, a member of a police force or of the military police, and other persons acting under their authority and supervision, from the application of any provision of the *Criminal Code* that creates the offence of conspiracy or attempt to commit a CDSA offence, being an accessory after the fact in relation to, or counselling in relation to, an offence under the CDSA.

This provision helps, for instance, legally protect peace officers who, when investigating from within or as part of secret operations, might otherwise be technically committing these offences. For example, an undercover officer participating in a plan to dismantle a drug trafficking network might, without this exemption, be subject to prosecution.

For peace officers and public officers to be able to carry out their law enforcement duties, protections similar to those set out in the CDSA are offered to them through section 25.1 of the *Criminal Code*, when they commit, in the performance of their duties, an act or omission that would constitute an offence. Under section 25.1(14) of the *Criminal Code*, this protection does not extend to an act or omission that would constitute an offence in Part I of the CDSA or to its regulations or section 1 of Part 1 of the *Cannabis Act*.

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2.3.2 *Cannabis Act*

As with section 55(2)(b.1) and 55(2.1)(b.1) of the CDSA, the changes to subsections 139(6) and 139(7) of the *Cannabis Act* add an explicit regulatory basis allowing to exempt, by regulation, in police investigations, pursuant to the *Cannabis Act* or any other federal legislation a member of a police force or of the military police, and other persons acting under their authority and supervision, from the application of any provision of the *Criminal Code* that creates the offence of conspiracy or attempt to commit an offence under the *Cannabis Act*, being an accessory after the fact in relation to, or counselling in relation to, an offence under the *Cannabis Act*.

2.4 PART 4: *CANADA POST CORPORATION ACT* (CLAUSES 25 TO 29 OF THE BILL)

Part 4 of Bill C-2 amends the *Canada Post Corporation Act* to expand the Canada Post Corporation's (the Corporation) authority to open and inspect mail under certain conditions to now include letters. It also broadens the legislation under which mail could potentially be opened or otherwise interfered with from a few specific Acts of Parliament to any Act of Parliament.

Clause 27 amends section 41(1) of the *Canada Post Corporation Act* to expand the Corporation's existing authority to inspect mail to also include letters,[30] which had been exempt. This section was most recently amended by *Budget Implementation Act, 2023, No. 1*,[31] in response to a 2022 decision from the Supreme Court of Newfoundland and Labrador that the previous wording of this section violated the Charter.[32] The 2023 amendment clarified that the Corporation must have reasonable grounds to suspect certain conditions before opening mail.[33] However, letters remained exempt at that time, unless they were undeliverable.

Clauses 25 and 26 replace section 40(3) of the *Canada Post Corporation Act* with new section 40.1, providing that nothing in the postal system may be subject to demand, seizure, detention, or retention, unless authorized by an Act of Parliament. This expands the existing authority for these powers beyond the few Acts previously specified: the CSIS Act, the *Customs Act*, and the PCMLTFA. New section 40.1(3) also introduces a limited liability provision making the Crown, and any "servant or agent or mandatory" of the Crown and the Corporation not liable for claims arising from the demand, seizure, detention or retention of mail.

Clause 28 repeals section 42(2.1) of the *Canada Post Corporation Act*, which required that notice of the seizure or detention of mail by another government entity be provided to the Corporation within 60 days after the seizure or detention. Clause 26 moves these provisions to new section 40.1(2), requiring that notice be

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given to the Corporation within 60 days when mail is seized or detained under any Act of Parliament, except for the *Canada Post Corporation Act* and the CSIS Act.

Clause 29 amends section 48 of the *Canada Post Corporation Act*, which addresses the offence of opening mail. Existing language specified it was a punishable offence unless authorized under the *Canada Post Corporation Act*, the *Customs Act*, or the PCMLTFA. The new language is broader, allowing for exceptions to the prohibition against interfering with mail when authorized under any Act of Parliament.

Some similar measures contained in Part 4 of Bill C-2 were proposed by Bill S-256, An Act to amend the Canada Post Corporation Act (seizure) and to make related amendments to other Acts, tabled by Senator Pierre J. Dalphond during the 1st Session of the 44th Parliament.[34] This bill also sought to amend sections 40(3), 42(2.1), and 48 of the *Canada Post Corporation Act*, addressing the search and seizure of mail. Bill S-256 was at the report stage in the Senate when it died on the *Order Paper* at the prorogation of the 1st Session of the 44th Parliament.

2.5 PART 5: *OCEANS ACT* (CLAUSES 30 TO 32 OF THE BILL)

Part 5 of Bill C-2 amends the *Oceans Act*. According to the Government of Canada, the amendments enhance the Canadian Coast Guard's mandate by formally including security-related responsibilities that support Canadian sovereignty and maritime domain awareness, with a particular emphasis on remote Arctic regions.

Currently, the Canadian Coast Guard's mandate includes helping to ensure that Canada's waterways and oceans are safe, accessible, secure, healthy and productive.[35] Bill C-2 authorizes the Canadian Coast Guard to conduct security patrols and to collect, analyze, and share information or intelligence in support of national maritime security objectives.[36]

Clause 30 amends section 41(1) of the *Oceans Act*. Section 41 of this Act concerns coast guard services. The minister responsible for the Canadian Coast Guard is the Minister of Fisheries and Oceans. This section is amended by providing authority for another designated cabinet minister, in addition to the Minister of Fisheries and Oceans, to perform coast guard functions. This seeks to make the provision more flexible in terms of administrative delegation.

This section is further amended by a change in language in section 41(1)(e). Prior to the amendment, the section read, in part, "through the provision of ships, aircraft and other marine services." As amended, it now reads, "through the provision of ships, aircraft and other services."

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The absence of the word "marine" broadens the possible scope of services; for example, to potentially include aerial, cyber or land-based support if needed. This change of language broadens the mandate of the coast guard service.

As well, clause 30 adds a new section 41(1)(f). This expands Canadian Coast Guard services, adding "security, including security patrols and the collection, analysis and disclosure of information or intelligence" to service responsibilities.

This introduces a new dimension to coast guard responsibilities by including security functions, which were previously not in the mandate. This brings the coast guard closer to a national security or maritime defence role.

This appears to complement an enhancement of the powers, duties and functions of the Minister of Fisheries and Oceans as set out in section 4(3) of the *Department of Fisheries and Oceans Act* (DFOA).[37] In 2015, the DFOA was amended to add section 4(3). This section states, among other things, that in "carrying out activities in relation to the maritime domain, the Minister may receive information that (a) relates to activities that undermine the security of Canada, as defined in section 2(1) of the *Security of Canada Information Sharing Act*"[38] and (b) is relevant to helping a federal government agency that has legal authority to deal with those kinds of threats, for example, by detecting, identifying, analyzing, preventing, investigating or disrupting. As amended, the *Oceans Act* now permits the Minister to collect and disclose security information as well as receive it.

Clause 31 of Bill C-2 adds a new section 41.1, entitled "Powers with respect to information and intelligence." This new power explicitly grants to the Minister of Fisheries and Oceans or responsible minister the authority to collect, analyze and disclose information or intelligence in exercising or performing their duties. This ability to collect and share intelligence reinforces the new security-related role set out in section 41(1)(f).

2.6 PART 6: INFORMATION SHARING – IMMIGRATION, REFUGEES AND CITIZENSHIP (CLAUSES 33 AND 34 OF THE BILL)

Part 6 of Bill C-2 adds an information sharing regime to the *Department of Citizenship and Immigration Act*.[39]

For the purposes of this regime, "personal information" has the same meaning as in the *Privacy Act*.[40]

Under new section 5.6 of the *Department of Citizenship and Immigration Act* nothing in this regime can affect the authority to disclose personal information under any other federal legislation, at common law or under the royal prerogative.

New section 5.4 of the *Department of Citizenship and Immigration Act* allows the Minister of Citizenship and Immigration to disclose within the department any personal information under the control of the department.

New subsection 5.5(1) of the *Department of Citizenship and Immigration Act* allows the Minister of Citizenship and Immigration to disclose personal information outside the department, under a written agreement. That information may involve: an individual's identity; that individual's status in Canada; and the contents or status of any document issued to that individual. This disclosure may be made for the purposes of any federal legislation, provincial legislation, or any "lawful authority" given to the Minister. The personal information subject to being disclosed may be shared with any department, agency or Crown corporation of the federal or provincial governments.

The provincial governments may not disclose personal information that it receives from the Minister of Citizenship and Immigration to a "foreign entity." Such disclosure is allowed only with the written consent of the Minister of Citizenship and Immigration, and in a manner that respects Canada's international obligations in respect of mistreatment.[41]

Under new section 5.7 of the *Department of Citizenship and Immigration Act*, the Governor in Council may make regulations respecting the conditions for or limits on the disclosure of personal information, and the interpretation of the terms used in this regime.

Clause 34 of Bill C-2 also adds section 150.1(1)(f) to the IRPA,[42] allowing the Minister of Citizenship and Immigration to introduce regulations concerning the conditions for or limits on the disclosure of personal information to federal departments and agencies.

2.7 PART 7: *IMMIGRATION AND REFUGEE PROTECTION ACT* (IN-CANADA ASYLUM SYSTEM) (CLAUSES 35 TO 69 OF THE BILL)

Part 7 of Bill C-2 amends several provisions of the IRPA governing the in-Canada asylum system.

Part 7 largely replicates Division 38 of Part 4 of former Bill C-69 from the 44th Parliament, *An Act to implement certain provisions of the budget tabled in Parliament on April 16, 2024*, as worded at first reading.[43] Although the bill received Royal Assent, the entirety of clauses 385 to 432 in Division 38 were deleted at second reading[44] by the House of Commons Standing Committee on Finance (the committee).[45] Given the scope of the amendments that some members wanted to make to Division 38, the committee preferred to accept the government's suggestion to delete the whole thing instead of having a "piecemeal version."[46]

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Under former Bill C-69, the government's stated purpose was to adapt the asylum system to better manage the high number of asylum claims in Canada.[47] The government was also trying to give the Minister of Citizenship and Immigration powers deemed necessary for regulating irregular migration.[48]

2.7.1 Representative for Minors or Legally Incapable

New subsection 6.1(1) of the IRPA, added by clause 36 of Bill C-2, allows the Minister of Citizenship and Immigration and the Minister of Public Safety[49] to designate a representative for a minor or for a person who, in the opinion of the Minister, is unable "to appreciate the nature of the proceeding or application." The representative may be designated in any prescribed proceeding or application made under the IRPA. Under new subsection 6.1(3), the Governor in Council may prescribe, by regulation, the circumstances in which a representative may be appointed.

2.7.2 Claim for Refugee Protection Inside Canada and Production of Documents

Under clause 46 of Bill C-2, subsection 99(3.1) of the IRPA is repealed to standardize regulations regarding production of documents. A person who makes a claim for refugee protection inside Canada "other than at a port of entry" will no longer be subject to different rules regarding production of documents.[50]

2.7.3 Further Consideration of Claims for Protection by the Minister of Citizenship and Immigration

Clause 47 of Bill C-2 amends the section on "examination of eligibility," which becomes the "consideration of claims prior to referral."

Clause 48(1) of Bill C-2 replaces subsection 100(1) of the IRPA, and states that any claim made in Canada determined to be eligible by immigration and border services officers, the Minister "must consider it further" prior to being referred to the Immigration and Refugee Board of Canada (IRB).[51]

Clause 48(4) of Bill C-2, amends subsection 100(3) of the IRPA, allowing the Minister to determine a claim for protection to be ineligible after further consideration.

Subsection 100(4) of the IRPA, amended by clause 48(5) of Bill C-2, allows the Minister to set by regulation the time limits and rules for the production and submission of documents for this consideration. Similar provisions are provided for in subsection 111.1(1), as amended by clause 56 of the bill.

Clause 48(6) of Bill C-2 repeals subsection 100(4.1) of the IRPA, removing from officers the responsibility for fixing the date on which the claimant is to attend a hearing before the Immigration and Refugee Board (IRB), when they refer the claim.

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Under new subsection 100.1(2) of the IRPA, introduced by clause 49 of Bill C-2, the IRB cannot review the claim for protection before the Minister has considered it further. This further consideration by the Minister is therefore mandatory for all claims referred to the IRB.

2.7.4 Determination on Abandonment

New section 102.1 of the IRPA, introduced by clause 50 of Bill C-2, allows the Minister of Citizenship and Immigration to transmit the claim for protection to the IRB for it to determine that it has been "abandoned." The IRB may determine that the claim has been abandoned if the claimant fails to provide the required documents or information or fails to appear for an examination by the Minister.

New section 104.1 of the IRPA, introduced by clause 52 of Bill C-2, allows the consideration of a claim for refugee protection or consideration of appeals by the IRB to be suspended if the claimant is not "physically present" in Canada. The IRB may determine the claim to be abandoned under new subsection 168(1.1), introduced by clause 61 of the bill.

2.7.5 Determination on Withdrawal

Under new subsection 102.2(1) of the IRPA, introduced by clause 50 of Bill C-2, the Minister may determine a claim for protection to be "withdrawn" on further consideration if the claimant provides the Minister with written notice of withdrawal.

Subsection 24(4) of the IRPA, amended by clause 39 of Bill C-2, prohibits a foreign national from entering or temporarily staying in Canada if, in the last 12 months, the Minister determined the claim for protection to be "withdrawn." The withdrawal determination must not be subject to an application for leave for judicial review.

New section 112(2)(b.2) of the IRPA, introduced by clause 57(2) of Bill C-2, a person in Canada may not apply for a pre-removal risk assessment if less than 12 months have passed since the Minister determined the claim for protection to be withdrawn. The same limit applies if the Federal Court refused to proceed with a judicial review of this determination in the last 12 months. Exemptions may apply for nationals of countries designated by the Minister under subsection 112(2.1) of the IRPA.

2.7.6 Inadmissibility and Reports on Inadmissibility

Under section 25(1.2)(b) of the IRPA, amended by clause 40 of Bill C-2, the Minister is no longer required to examine claims to stay on humanitarian grounds made by nationals whose claim for protection was deemed eligible by the IRB.

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New section 44.1 of the IRPA, introduced by clause 43 of Bill C-2, establishes that the IRB cannot hold an admissibility hearing, if the individual who is the subject of the hearing is not physically present in Canada.

2.7.7 Removal Orders

The bill makes clarifications to the coming into force of removal orders. Clause 44 of Bill C-2, by amending section 49 of the IRPA, clarifies the coming into force of removal orders according to the specific status of a claim for protection. For example, the new wording in section 49(2)(c) of the IRPA establishes that removal orders come into force 15 days after a claim with "no right to appeal" is rejected by the IRB. Also, removal orders come into force the day that a claim for protection has been determined to be withdrawn, according to new section 49(2)(f) of the IRPA.

2.7.8 End of Designated Countries of Origin

Section 109.1 of the IRPA is repealed by clause 53 of Bill C-2, thereby removing from the Minister the power to designate by order countries of origin. Protection claimants from these designated countries could not file an appeal and were subjected to various administrative delays.

This designation power had not been used by the Minister since 2019.[52] The system was declared unconstitutional by the Federal Court.[53]

Similar provisions relating to the countries of origin designation are repealed by clause 54(1) of the bill.

2.7.9 Administrative Procedures of the Refugee Appeal Division

The bill also amends certain provisions on the administrative procedures of the IRB Refugee Appeal Division.

Clause 54(2) of Bill C-2 repeals sections 110(3) and 110(3.1) of the IRPA to clarify the procedure the Refugee Appeal Division must follow in an appeal without a hearing and to revoke the authority of the Governor in Council that can establish through regulations the time limits for decisions on appeals without hearings.

Clause 56(4) of Bill C-2 repeals sections 111.1(1)(e) of the IRPA, limiting the authority of the Governor in Council to establish time limits for the making of a decision on an appeal without a hearing by the Refugee Appeal Division.

New section 111(3) of the IRPA, introduced by clause 55 of Bill C-2, states that confirmation of a rejection of a claim for protection by the IRB Refugee Appeal

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Division is "itself" a final decision. This clarification may be useful for interpreting the exceptions that apply to pre-removal risk assessments.[54]

2.7.10 Board Member Duties

Section 159(1)(g) of the IRPA is amended by clause 59 of Bill C-2, to mandate the IRB Chairperson to take any action that may be necessary to specify "the manner in which decisions must be rendered" to ensure that board members carry out their duties properly.

2.7.11 Language Edits

Several clauses of the bill make language edits to the English and French versions of the IRPA to clarify and standardize the legislation.[55]

2.7.12 Transitional Provisions, Coordinating Provisions and Coming into Force Provisions

Clauses 64, 65 and 67 of Bill C-2 set out transitional provisions for protection claims that are in progress that may be affected by the coming into force of changes to the IRPA.

Clause 68 of Bill C-2 sets out coordinating provisions relating to the *Budget Implementation Act, 2023, No. 1*.[56]

Finally, clause 69 of the bill establishes that Part 7 provisions come into force on a day to be fixed by order of the Governor in Council.

2.8 PART 8: *IMMIGRATION AND REFUGEE PROTECTION ACT* (CERTAIN MEASURES IN RESPECT OF APPLICATIONS AND DOCUMENTS) (CLAUSES 70 AND 77 OF THE BILL)

Part 8 of Bill C-2 amends the IRPA by introducing new authorities for immigration and border service officers regarding applications, visas, and other immigration documents. According to the Government of Canada, the amendments aim "to strengthen control over immigration documents for the public interest,"[57] such as addressing "risks to immigration or program fairness, safety, security and health risks to Canada or Canadians, misuse of government-funded programs, or large-scale emergencies and other unpredictable scenarios."[58]

Currently, under the *Immigration and Refugee Protection Regulations* (IRPR), immigration and border service officers have the authority, since 31 January 2025, to cancel electronic travel authorizations and temporary resident visas "on a case–by–case basis."[59] The provisions introduced by Bill C-2 broaden significantly these authorities to cover all immigration statuses and categories.[60]

Clause 70 adds new section 11.3 to the IRPA, allowing immigration and border services officers – under conditions to be established in the IRPR – to terminate the processing of applications for permanent residence.

Clause 71 creates new section 14.2(b.1) in the IRPA providing that the IRPR may set out the circumstances for terminating permanent residence applications.

Clause 72 creates new section 20.01(1) in the IRPA to allow immigration and border service officers to cancel, suspend, or change visas or other documents for permanent or temporary residence under specific situations to be set out in the IRPR.

Clause 74 adds section 26(1)(b.01) to the IRPA to clarify that the IRPR may prescribe and govern the circumstances around the cancellation, suspension or modification of visas or other documents in relation to permanent or temporary resident status.

Clause 75 creates Division 3.1, "Examination of Foreign Nationals." With two new sections under the IRPA. New section 32.1(1) prescribes that people outside Canada who hold visas or permits to come permanently or temporarily to Canada must answer truthfully when questioned by immigration and border service officers. They must provide the required documentation and appear, if requested, for examination under new section 32.1(2). New section 32.2 provides that the IRPR set out the circumstances around these examinations.

Clause 76 amends section 47(c) of the IRPA to indicate that a foreign national can lose their temporary resident status when it is cancelled, except in the instances outlined by new section 87.302(1) of the IRPA, introduced in clause 77.

Clause 77 introduces five new sections in IRPA under the "Instructions of Processing Applications and Requests" in Division 10 – "General Provisions."

Under new section 87.301(1) of the IRPA, the Governor in Council can block new immigration applications, suspend processing of existing ones, or terminate applications if deemed to be in the public interest. New section 87.301(2) of the IRPA clarifies that the Governor in Council can also restrict certain groups or individuals from applying to come to Canada under Orders in Council. For the applications that are terminated, with new section 87.301(3) of the IRPA, Orders in Council must consider repayments of application fees and, if applicable, the associated interest.

New section 87.302(1) of the IRPA allows the Governor in Council to cancel, suspend, or change visas, permits and other immigration documents, as well as impose new conditions on these documents. Under paragraph (d), the Governor in Council can also impose or change conditions, for a set period, on temporary residents. New section 87.302(2) of the IRPA stipulates that if such an order affects

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individuals physically present in Canada, it must be made on the recommendation of the Minister of Citizenship and Immigration, with the concurrence of the Minister of Public Safety. This ensures ministerial oversight in cases with domestic implications. New section 87.302(3) of the IRPA allows for Orders in Council to focus on specific individuals or application types, manage document returns, and address-related implementation details.

New section 87.303 of the IRPA authorizes the Governor in Council to amend or repeal orders made under sections 87.301 or 87.302 of the same Act when deemed in the public interest. It also permits delegation of this power to the Minister of Citizenship and Immigration, subject to specified conditions. Where the amendment or repeal affects persons in Canada, it requires the Minister's recommendation with the concurrence of the Minister of Public Safety, ensuring inter-ministerial oversight for decisions with domestic impact.

New section 87.304 of the IRPA stipulates that, for the purpose of these orders, individuals must answer truthfully when questioned by immigration and border service officers, provide the required documentation and appear, if requested, for examination.

Under the new section 87.305 of the IRPA, these government orders are not subject to the normal review processes under the *Statutory Instruments Act*.[61] They must simply be published in the *Canada Gazette* within 23 days of being made.[62]

According to the Government of Canada,

> [e]ach use of these authorities would be decided by the Governor in Council (the Governor General) after considering all relevant factors, including the potential impact on vulnerable people. If an order is made to pause, cancel or change immigration documents, it would not immediately take away someone's status as a permanent or temporary resident in Canada. [Canada has] laws and processes in place related to loss of status for permanent and temporary residents.[63]

2.9 PART 9: *IMMIGRATION AND REFUGEE PROTECTION ACT* (INELIGIBILITY) (CLAUSES 78 TO 80 OF THE BILL)

Part 9 of Bill C-2 amends the IRPA by introducing two new ineligibility measures for refugee claims. According to the Government of Canada, the amendments "would protect the asylum system against sudden increases in claims."[64]

Section 101 of the IRPA, which relates to the ineligibility[65] of a refugee claim to be referred to the Refugee Protection Division (RPD) of the Immigration and Refugee Board, is amended by clause 78. It adds two new ineligibility measures to section 101(1) and creates a new subsection 101(1.1) to clarify cases of multiple entries.

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The first of the two new ineligibility measures introduced by Bill C-2 is the addition of section 101(1)(b.1) to the IRPA. This addition makes claims for refugee protection ineligible if, after 24 June 2020, it has been more than one year since the person has entered Canada. According to the Government of Canada, "[t]his would apply to anyone, including students and temporary residents, regardless of whether they left the country and returned."[66]

The second of the two new ineligibility measures introduced by Bill C-2 in new section 101(1)(b.2) relates to claims for refugee protection made after the 14-day period[67] referred to in section 159.4(1.1) of the IRPR. A refugee protection claim by a person who has crossed the Canada–United States land border between ports of entry since more than 14 days would not be referred to the RPD. This amendment is meant to reduce the increased risks[68] of evasion by refugee claimants after irregular entry into Canada.

Clause 78 creates new subsection 101(1.1) to clarify cases of multiple entries. It stipulates that if a "claimant has entered Canada more than once after 24 June 2020, the one-year period … begins on the day after the day of their first entry." This amendment refers to the first entry into Canada after 24 June 2020, regardless of the immigration status. As explained by the Canadian Council for Refugees:

> This means, for example, that a baby visiting Canada with her parents in 2020 would be ineligible if she sought refuge in Canada 20 years later, after facing persecution for her work as a human rights defender in her home country.[69]

Those deemed ineligible to claim refugee protection in Canada are considered for a removal process which includes a pre-removal risk assessment[70] conducted by immigration and border services officers to determine whether returning someone to their country of origin would endanger their safety.

Clause 79 amends section 111.1(1) of the IRPA, as it pertains to the IRPR, allowing the Governor in Council to set out new regulations that clarify the circumstances of exceptions that may apply to section 101(1) of the IRPA. These exceptions relate to the two new ineligibility measures introduced by Bill C-2.

Clause 80 is a transitional provision, providing that new sections 101(1)(b.1), 101(1)(b.2) and 101(1.1) of the IRPA apply only to claims for refugee protection made on or after 3 June 2025. It also clarifies that these new sections apply retroactively to that date, regardless of when Bill C-2 receives Royal Assent.

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2.10 PART 10: *PROCEEDS OF CRIME (MONEY LAUNDERING) AND TERRORIST FINANCING ACT (VARIOUS MEASURES)* (CLAUSES 81 TO 132 OF THE BILL)

Part 10 of Bill C-2 amends various provisions of PCMLTFA to increase the maximum administrative monetary penalties for violations and punishments for criminal offences under the PCMLTFA; introduce a new mandatory compliance agreement regime; require persons or entities referred to in section 5 of the PCMLTFA (reporting entities) to enrol with FINTRAC; and authorize FINTRAC to disclose certain information to the Commissioner of Canada Elections.

Section 9.2 of the PCMLTFA prohibits a reporting entity from opening accounts for a client if it cannot verify the identity of the client in accordance with the regulations. Clause 83 amends section 9.2 to extend this prohibition to clients with "obviously fictitious" names.

2.10.1 Part 10(a): Increasing the Maximum Administrative Monetary Penalties and Other Punishments

Clauses 81(1) and 81(2) amend section 2 of the PCMLTFA to repeal the definition of "violation" and replace it with "compliance order violation" and "prescribed violation," the terms now used to describe the types of violations subject to administrative monetary penalties ("penalties").

Clause 100 amends section 73.1 of the PCMLTFA, which sets out the authority of the Governor in Council to make regulations with respect to violations and the maximum penalty that can be imposed. Clauses 100(1) to 100(3) amend sections 73.1(1)(b), 73.1 (1)(c) and repeal 73.1(1)(d) of the PCMLTFA, respectively, to clarify that "violations" are now "prescribed violations" and to repeal the authority to make regulations in relation to section 73.18(1), which is amended by clause 105.

More significantly, clause 100(4) amends section 73.1(2) and introduces new sections 73.1(3) and 73.1(4) to the PCMLTFA to increase the maximum penalties under the PCMLTFA. Under section 73.1(2), the maximum penalty for a prescribed violation is increased:

- From $100,000 to $4,000,000 if violation is committed by a person; and
- From $500,000 to $20,000,000 if committed by an entity.

New section 73.1(3) indicates that the maximum cumulative penalties for all prescribed violations in a notice are:

- For a person, the greater of $4,000,000 and 3% of the person's gross global income in the previous year.

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- For an entity, the greater of $20,000,000 and 3% of the entity's gross global revenue in its previous financial year. New section 73.1(4) further provides that if an entity is part of a group of affiliated entities, then the entity's gross global revenue is deemed to be the gross global revenue of the group for the previous financial year.

Clause 101 amends sections 73.11 to 73.13 and adds new section 73.111 to the PCMLTFA to describe and expand the criteria used to determine the amount of a penalty.

With respect to criminal offences under the PCMLTFA, clauses 110 to 117 make a number of amendments to sections 74 to 81 of the Act, primarily to increase the maximum fines, often by up to 10 times, as well as to standardize the language in these provisions and to make some consequential amendments. Key provisions include:

- Clauses 110(3) and 110(4) amend sections 74(1)(a), 74(1)(b), 74(2)(a) and 74(2)(b) of the PCMLTFA to increase the maximum fines for general offences and for contravention of a minister's directive:
  - on summary conviction, from $250,000 to $2,500,000; and
  - upon indictment, from $500,000 to $5,000,000.
- Clause 111 amends sections 75(1)(a) and 75(1)(b) of the PCMLTFA to increase the maximum fine for contravening reporting requirements for transactions suspected to be related to money laundering or terrorist financing and for contravening limitations for certain financial transactions:
  - on summary conviction, from $1,000,000 to $10,000,000; and
  - upon indictment, from $2,000,000 to $20,000,000.
- Clause 112(2) amends sections 76(a) and 76(b) of the PCMLTFA to set the maximum fine for disclosing reports made to FINTRAC:
  - on summary conviction, at $1,000,000; and
  - upon indictment, at $2,500,000.
- Clause 113 amends section 77 to increase the maximum fine for contravening reporting requirements related to financial transactions involving foreign entities from $1,000,000 to $10,000,000.
- Clause 113 also amends section 77.1 to clarify that persons or entities that are required to provide information to FINTRAC but knowingly withhold material information, make or provide false or misleading statements, including by omission, are committing an offence under the PCMLTFA. It increases the maximum fine:
  - on summary conviction, from $250,000 to $2,500,000; and
  - upon indictment, from $500,000 to $5,000,000.

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- Clause 114 amends section 77.2 of the PCMLTFA, which states that retaliation against employees is an offence, to provide that:
  - on summary conviction, a person or entity could be liable for a maximum fine of $1,000,000 and/or imprisonment of not more than one year; and
  - upon indictment, a maximum fine of $2,5000,000 and/or imprisonment up to five years.
- Clause 115 amends sections 73.3(3)(a) and 77.3(3)(b), which prohibit "structured financial transactions," to set the maximum fine:
  - on summary conviction, at $1,000,000; and
  - upon indictment, at $2,500,000.
- Clause 116 amends sections 77.4(a) and 77.4(b), which address money services businesses (MSBs) that have not registered with FINTRAC, to increase the maximum fine:
  - on summary conviction, from $250,000 to $2,500,000; and
  - upon indictment, from $500,000 to $5,000,000.

2.10.1.1 Consequential Amendment

Clause 121 amends section 346 of *Budget Implementation Act, 2024, No. 1*,[71] which introduces a new offence in section 77.01 of the PCMLTFA requiring MSBs to vet their agents or mandataries. This section is not yet in force. Clause 121 increases the maximum fine:

- on summary conviction, from $250,000 to $2,500,000; and
- upon indictment, from $500,000 to $5,000,000.

2.10.1.2 Proceeds of Crime (Money Laundering) and Terrorist Financing Administrative Monetary Penalties Regulations

Clauses 122 to 126 make substantive and consequential amendments to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Administrative Monetary Penalties Regulations* (the Regulations)[72] with respect to the types of penalties and their amounts. Key provisions include:

- Clause 122 amends section 3 of the Regulations to indicate which provisions in the schedule to the Regulations are considered a violation that is subject to Part 4.1 of the PCMLTFA, the new mandatory compliance agreement regime.

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- Clause 123 amends section 4(2) of the Regulations – which classifies violations as minor, serious or very serious – to provide that a series of minor violations will be considered a serious violation for the purpose of an appeal to the Federal Court, if the total of the penalties is equal to or greater than $400,000, an increase from $10,000.
- Clause 124 amends section 5 of the Regulations to set the range of penalties at:
  - $1 to $40,000 for a minor violation, which is an increase from $1 to $1,000;
  - $1 to $4,000,000 for a serious violation, which is an increase from $1 to $100,000; and
  - $1 to $20,000,000 for a very serious violation, which is an increase from $1 to $500,000.
- Clauses 125 and 126 amend Part 1 and Part 2 of the schedule to the Regulations to clarify that violations of section 9.6(1) and new section 9.6(1.1) of the PCMLTFA, which address compliance program requirements, are classified as very serious violations.

2.10.2 Part 10(b): Mandatory Compliance Agreements

Part 10 amends various provisions of the PCMLTFA to introduce a new mandatory compliance agreement regime.

2.10.2.1 Compliance Agreement Regime

Clause 84 adds new section 9.6(1.1) to the PCMLTFA so that a program that ensures compliance with reporting and other requirements under the PCMLTFA must be "reasonably designed, risk-based and effective."

With respect to notices of violations, clause 102 rewords part of section 73.13(2)(a) and adds new section 73.131 to the PCMLTFA. New section 73.131 states that if FINTRAC has reasonable grounds to believe that a person or entity has committed a compliance order violation or a prescribed violation, then FINTRAC may issue a notice of violation. Notably, this amendment removes the option in section 73.13(2)(b) of the PCMLTFA for FINTRAC to reduce the penalty in half if the person or entity enters into a compliance agreement. As well, clause 103 amends section 73.14(1) of the PCMLTFA to remove reference to section 73.13(2).

Clause 99 amends the heading of Part 4.1 of the PCMLTFA, which addresses violations, compliance agreements and penalties, to add the new term "compliance orders." As well, clause 105 amends the heading before section 73.16, amends sections 73.16 to 73.18 and repeals sections 73.19 to 73.2 of the PCMLTFA, which deal with

compliance agreements, to introduce the new mandatory compliance agreement regime, which includes compliance orders and compliance order violations.

New section 73.16 states that a person or entity that has committed a prescribed violation must enter into a compliance agreement with FINTRAC. The compliance agreement must include the prescribed violation and provision to which it relates, the measures that must be taken to comply with the provision and the deadline for compliance, which can be extended up to a year by FINTRAC. If the person or entity does not enter into a compliance agreement within six months after FINTRAC requires it, it is deemed to have refused to enter into the agreement.

New section 73.17 indicates that if a person or entity refused to enter into a compliance agreement or fails to comply with an agreement before the deadline set by FINTRAC, the Director of FINTRAC will serve the person or entity a compliance order. The compliance order must include:

- the name of the person or entity that committed the prescribed violation and provision to which it relates;
- the fact that the person or entity refused to enter into or comply with a compliance agreement;
- requirements that the person or entity comply with the provision and make public the measures that need to be taken to be in compliance; and
- the deadline for compliance with the order, which can be extended for up to one year.

The Director may also include the reasons for making the order. The order must be made public.

New section 73.18 of the PCMLTFA states that a contravention of a compliance order is considered a compliance order violation and is subject to a penalty of:

- in the case of a person, the greater of $5,000,000 and 3% of the person's gross global income in the previous year; and
- in the case of an entity, the greater of $30,000,000 and 3% of the entity's gross global revenue in its previous financial year; however, if the entity is part of a group of affiliated entities, then the entity's gross global revenue is deemed to be the gross global revenue of the group for the previous financial year.

As well, clause 104 amends section 73.15(4) of the PCMLTFA to add a "compliance order violation" to the list of violations that can be considered by the Director of FINTRAC. Clauses 106 to 109 amend sections 73.21, 73.22, 73.27 and 73.4 of the

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PCMLTFA to make changes consequential to the amendments introduced in clauses 102 and 105.

2.10.2.2 Entities That May Have Obligations Under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*

Other measures are introduced in Part 10 that affect the types of entities that can register or are required to report to FINTRAC. Clause 86 amends section 11.11(1), which lists those entities that are ineligible to register as MSBs under the PCMLTFA, to add section 11.11(1)(e.1) in order to include a person or entity acting on behalf or in concert with a person or entity that committed a compliance order violation or prescribed violation and has not yet paid the penalty.

As well, clause 96 amends section 62(1) of the PCMLTFA to allow an authorized person to examine the records and inquire into the business of "any person or entity that the authorized person believes on reasonable grounds" to be a reporting entity. Clause 97 amends the French version of section 72.1 of the PCMLTFA, which describes who is an authorized person for the purposes of serving notice, to make clear that it is referring to registration by MSBs.

2.10.2.3 Seizure of Imported or Exported Goods

Part 10 of the bill also introduces amendments in relation to the seizure of imported or exported goods that are suspected to be proceeds of crime.[73] Clause 88 amends section 39.02(6) of the PCMLTFA to add that any person or entity that "holds" imported or exported goods must keep records of those goods at their place of business in Canada or any other place the Minister designates. If goods are seized by a customs officer, clauses 89 to 91 amend sections 39.14, 39.18(1), 39.19 and 39.2 of the PCMLTFA, respectively, to clarify the process by which a request can be made to the Minister to determine if the officer who seized the goods had "reasonable grounds to believe the goods" were proceeds of crime or related to money laundering, terrorist financing or sanctions evasion, and whether the goods are to be returned or forfeited.

2.10.3 Part 10(c): Requiring Persons or Entities Referred to in Section 5 of that PCMLTFA , Other Than Those Already Required to Register, to Enrol with FINTRAC

Under Canada's anti-money laundering regime, FINTRAC receives reports from certain businesses listed in section 5 of the PCMLTFA – referred to as "reporting entities" – on specified financial transactions that these businesses oversee or undertake. MSBs are one of such reporting entities and perform functions such as remitting, exchanging, or transmitting funds, as well as dealing in virtual currencies or crowdfunding. MSBs operating in Canada, and foreign MSBs that direct and

provide services to clients in Canada, must register with FINTRAC before they begin to operate. An MSBs failure to register may result in criminal charges, monetary fines, and imprisonment for individuals involved in the business. MSBs are the only reporting entity required to register with FINTRAC in this way.

Clause 87 of Bill C-2 adds new sections 11.4001 to 11.4015 to the PCMLTFA to require all other reporting entities under the act to apply for – and maintain – enrolment with FINTRAC, similar to the registration regime currently applicable to MSBs. Reporting entities will be required to keep prescribed information up-to-date and must periodically renew their enrolment with FINTRAC. The enrolment process and renewal details will be prescribed by regulation. Clause 98 amends section 73(1) of the PCMLTFA to allow the Governor in Council to make such regulations.

Under new section 11.4009(1) of the PCMLTFA, FINTRAC will deny an application for enrolment or renewal if the applicant has unpaid fines from a compliance order violation issued by FINTRAC or from a prescribed violation, being violations listed in sections 73.18(1) and 73.13, respectively. In addition, enrolment will be denied if the applicant is in a prescribed relationship with a person or entity with such unpaid fines. New section 11.4011(1) of the PCMLTFA details the revocation of a reporting entity's enrolment for similar reasons. New section 11.4014 allows a reporting entity to request a review – within 30 days of notification – of such a denial or revocation of enrolment. New section 11.4015 allows a reporting entity to appeal the result of that review to the Federal Court.

Clause 93 adds new section 54.2 to the PCMLTFA to require FINTRAC to establish, maintain, and make public a "roll" of prescribed information submitted under these provisions and ensure its accuracy, as well as empower it to verify and analyze such information. The information submitted by reporting entities may be kept for 10 years after a person or entity is no longer enroled under new section 54.2(7).

2.10.4 Part 10(d): Authorizing FINTRAC to Disclose Certain Information to the Commissioner of Canada Elections, Subject to Certain Conditions

Section 55(1) of the PCMLTFA contains a prohibition on FINTRAC's disclosure of information while section 55(3) lists the exceptions thereto. FINTRAC must disclose information to listed entities – such as a police force, the Canada Revenue Agency, the CBSA and others – where it has reasonable grounds to suspect the information would be relevant to investigating or prosecuting a money laundering or a terrorist activity financing offence, and when certain additional context-specific conditions are met. Section 55.1 allows for disclosures of information to listed entities where FINTRAC has reasonable grounds to suspect that designated information would be relevant to threats to the security of Canada.

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Clauses 94 and 95 amend sections 55 and 55.1 of the PCMLTFA, respectively, to add the Commissioner of Canada Elections as a listed entity, where FINTRAC has reasonable grounds to suspect that the information is relevant to investigating or prosecuting an offence or violation under the *Canada Elections Act*[74] or an attempt to commit such an offence or violation.

2.10.4.1 Consequential, Transitional and Coordinating Amendments

Consequential amendments in relation to retail payment activities are also included in Part 10 of the bill. Clause 92 makes minor amendments to section 53.6(1)(a), the French version of section 53.4(1)(c), section 53.6(2)(a) and the French version of section 53.6(2)(c) of the PCMLTFA, all which deal with disclosure of information to the Bank of Canada, to clarify that certain provisions are criminal offences and that the French version is referring to the registration of MSBs. Similar amendments to clarify language are set out in clauses 118 and 119 to sections 48(1)(c), 48(1)(d), 52(b), and 52(c), respectively, of the *Retail Payments Activities Act*.[75]

Clause 120 also makes a consequential amendment to section 206 of the French version of the *Budget Implementation Act, 2023, No. 1*.[76] to make clear that section 83.3(1) of the PCMLTFA is referring to registration by MSBs.

Clauses 127 to 129 include transitional provisions that set out how violations are to be addressed under the former and new versions of the PCMLTFA.

Clauses 130 and 131 provide coordinating amendments for relevant provisions in Bill C-2 and those introduced in the *Budget Implementation Act, 2023, No. 1*.

2.10.5 Coming into Force

Clause 132 states that sections 81(3), 82, 85, 87, 92(2), 92(4), 93, 94(1), 96 to 98, 110(2) and 120 come into force on a day to be fixed by order of the Governor in Council.

2.11 PART 11: *PROCEEDS OF CRIME (MONEY LAUNDERING) AND TERRORIST FINANCING ACT* (CASH TRANSACTIONS) (CLAUSES 133 TO 141 OF THE BILL)

Clause 135 of Bill C-2 introduces new section 9.21 to Part 1 of the PCMLTFA, which deals with record keeping, verifying identity, reporting of suspicious transactions and registration.

This new section applies only to certain entities that are already subject to Part 1 of the PCMLTFA, namely:

- authorized foreign banks and banks;

- provincial cooperative credit societies, savings and credit unions, caisses populaires and federal associations;
- federal and provincial trust or loan companies; and
- departments and agents or mandataries of the federal and provincial governments that are engaged in the business of accepting deposit liabilities, that issue or sell money orders to, or redeem them from, the public or that sell prescribed precious metals, while carrying out a prescribed activity.

This amendment sets out a new prohibition with respect to third party "cash" deposits – i.e., deposits into an account from a depositor who is neither the holder of the account nor authorized to give instructions on that account.[77]

Clause 133 of Bill C-2 amends section 2(1) of the PCMLTFA by introducing the definition of the term "cash" which refers to "coins" and "notes," as these terms are defined in the *Currency Act*,[78] and coins or banknotes from other countries.[79]

Clause 139 of Bill C-2 amends Part 1 of the schedule to the Regulations[80] to add the new prohibition to the list of violations. It is classified as a "very serious" violation.[81]

Clause 135 of Bill C-2 adds an offence through new section 77.5 to the PCMLTFA for persons and entities engaged in a business, a profession or the solicitation of charitable financial donations from the public if they accept a cash payment, donation or deposit of $10,000 or more. This offence does not apply to the entities subject to the new prohibition, and in other prescribed situations.[82] The punishment is a fine.

Clause 137 of Bill C-2 makes a correlative amendment to section 79 of the PCMLTFA, which provides that an entity may be found to have committed an offence if it is established that the offence was committed by one of its employees or agents. As a result of the amendment, this section also applies to the new offence.

Clause 138 of Bill C-2 also makes a correlative amendment to section 81(2) of the PCMLTFA by extending the application of the time limit of eight years to summary conviction proceedings instituted under the new offence.

These changes are meant to "[a]ddress some of the most prevalent types of money laundering."[83] Pursuant to clause 141 of Bill C-2, they come into force on a day or days to be fixed by order of the Governor in Council.

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2.12 PART 12: LEGISLATION RELATED TO FINANCIAL INSTITUTIONS (SUPERVISORY COMMITTEE) (CLAUSES 142 TO 143 OF THE BILL)

Clause 142 of Bill C-2 amends section 18(1) of the *Office of the Superintendent of Financial Institutions Act*[84] which establishes FISC chaired by the Superintendent of Financial Institutions whose purpose is to facilitate consultations and the exchange of information among its members on all matters relating directly to the supervision of financial institutions, bank holding companies or insurance holding companies.[85] This amendment adds the Director of FINTRAC to the list of members which therefore entitles FINTRAC to any information on matters falling under FISC's purpose that is in the possession or under the control of another member.

Correlatively, clause 143 of Bill C-2 introduces new section 53.41 to the PCMLTFA which authorizes the Director of FINTRAC to disclose to, and collect from, the other members of FISC any information on matters falling under the FISC's purpose. However, disclosure is limited to information that relates to compliance with Parts 1 or 1.1 of the PCMLTFA.

These changes are meant to "[e]nhance supervisory collaboration and support high standards of regulatory compliance."[86]

2.13 PART 13: *SEX OFFENDER INFORMATION REGISTRATION ACT* (CLAUSES 144 TO 154 OF THE BILL)

Part 13 of Bill C-2 amends the SOIRA to make changes to sex offenders' reporting obligations, and the circumstances under which certain information on registered sex offenders can be shared. Offenders convicted of certain sexual offences are ordered under the SOIRA to register with police as a sex offender; their personal information is then included in the National Sex Offender Registry. Offenders subject to a SOIRA order[87] must report to a registration centre annually, in addition to within a designated period of time if they change their name or home address, or if they receive a new driver's licence or passport.[88]

Section 2 of the SOIRA states that the purpose of the Act is to help police in investigating and preventing sexual crimes. Clause 144 amends this section to add that the purpose of the SOIRA is also to help other law enforcement agencies, in addition to police. This amendment potentially expands the entities that could have access to information collected under the SOIRA.

Current section 4(1)(d) of the SOIRA requires an offender to register with police for the first time once they are released after serving the custodial part of their sentence. Clause 146 amends this section to provide that an offender must register after their

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release from custody, including release on statutory release, day or full parole, or for work release.

Section 5(1)(h) of the SOIRA currently requires offenders to report annually the licence plate number and a physical description of any vehicle that they own or regularly use. Clause 147 shortens the reporting timeline to within a certain number of days after there are any changes to the licence plate, make, model, year, body type, and colour of an offender's vehicle.

Section 5(3) of the SOIRA currently states that a sex offender's observable personal characteristics that may help in their identification, such as hair colour and eye colour, may be recorded when they report to a registration centre. Clause 148 amends section 5(3) to specify that a sex offender's tattoos and other distinguishing marks may also be recorded.

Currently, an offender who will be away from home for seven or more consecutive days must notify the registration centre of their travel plans (section 6 of the SOIRA). This notice must be provided at least 14 days before their departure, unless the offender has a reasonable excuse, in which case the offender must provide notice as soon as possible (section 6(1.02) of the SOIRA). Clause 149 adds new section 6(1.03) to the SOIRA to specify that reasonable excuses include a family emergency, or the death or critical illness of a family member of the offender.

Clause 150 adds new section 15.3 of the SOIRA to authorize the CBSA to disclose a sex offender's personal information to law enforcement agencies for the purpose of administering or enforcing the SOIRA. This information includes an offender's name, birthday, nationality, sex, passport details, and selected other information related to their travel to and from Canada.[89] This amendment broadens the types of information that CBSA may disclose to law enforcement. The SOIRA currently authorizes the CBSA to collect a sex offender's international travel dates and locations and disclose these to the RCMP.[90] This information can be compared with travel notices submitted by sex offenders to verify reporting compliance under the SOIRA.

Section 16 of the SOIRA prohibits the access or disclosure of information collected under the SOIRA unless specifically permitted. New section 16(2)(c.1) adds an additional exception to the prohibition, and allows CBSA members to consult this information if needed to perform a legal duty.

Current section 16(4)(c)(i) of the SOIRA provides an exception for the disclosure of sex offenders' personal information when it is necessary to enable police to investigate an offence or compliance with reporting requirements under the SOIRA, to prevent or investigate a sexual offence, or to obtain and serve a related warrant. Clause 151 includes amendments to this section, and new sections, that replace

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references to "police" with "law enforcement agencies," and introduce a reasonable grounds test for disclosure. The new and amended sections allow for the disclosure of protected information to:

- a law enforcement agency;[91]
- a law enforcement agency outside of Canada;[92]
- the CBSA;[93]
- a victim of or a witness to a sexual offence if disclosed by a member of a law enforcement agency;[94] or
- a government agency or department or Indigenous governing body in Canada.[95]

Disclosure is allowed where there are reasonable grounds to believe that the disclosure will assist in the investigation of offences and compliance under the SOIRA, the prevention or investigation of a sexual offence, or in obtaining and serving a related warrant, depending on who is receiving the information.

Section 17 of the SOIRA makes it an offence to consult or disclose personal information protected under section 16 unless authorized under one of the listed exceptions. Clause 152 adds new section 17(2) to specify that a person is not guilty of the offence if they believed that they were acting in accordance with section 16.

Clause 145 adds the definition of an Indigenous governing body, namely a council, government or other body authorized to act on behalf of an Indigenous group or community, to section 3(1) of the SOIRA.

2.14 PART 14: TIMELY ACCESS TO DATA AND INFORMATION (CLAUSES 155 TO 193 OF THE BILL)

Part 14 of Bill C-2 introduces amendments to several Canadian acts, including the *Criminal Code* to modernize certain provisions regarding the collection of information during investigations and how subscriber information is handled.

2.14.1 Criminal Code Amendments

Amendments to the *Criminal Code* intent, primarily to facilitate information gathering in investigations relating to federal offences.

Clause 156 of the bill amends section 487 of the *Criminal Code* to create definitions of "computer data," "computer system," "judge" and "public officer."

The bill also amends section 487 of the *Criminal Code* to establish, notably the conditions for the issuance of a warrant relating to computer data, the duty and

responsibilities of the person executing the warrant, the conditions under which copies of the related computer data can be made and the time and place for the examination of the computer data. More specifically, new section 487(2.4) of the *Criminal Code* allows a judge or a justice to authorize, by issuing a warrant, the examination of computer data contained in a computer system seized if there are reasonable grounds to believe that an offence was or will be committed and the computer data will provide evidence of the offence.

Currently, for instance, in section 487(2.1) of the *Criminal Code*, a peace officer or a public officer authorized by a warrant to search a computer under section 487(1) can search a computer system in a building or place for data. The amendment adds the term "computer" prior to data, to specify the type of information that can be gathered by law enforcement.

2.14.1.1 Subscriber Information

Currently, the *Criminal Code* does not define *subscriber information*; the Supreme Court of Canada (SCC) defined it in *R. v. Spencer* in 2014 as "including the name, address and telephone number of the customer using that [IP] address"[96] and in *R. v. Bykovets*, in 2024, as "the name, address, and contact information – associated with an individual Internet Protocol (IP) address."[97]

In *R. v. Spencer*, the Court established that a reasonable expectation of privacy is attached to subscriber information and that a request by police for this type of information constitutes a "search" under section 8 of the Charter, which protects against unreasonable search or seizure.[98] The SCC arrived at the same conclusion with regard to IP addresses in *R. v. Bykovets*.[99]

The definition of *subscriber information* set out by clause 157 of the bill seems to encompass a broader range of information than the SCC's definition and relates to any client of a person providing services to the public or the subscriber of the person providing the service including the name, address and contact information of the individual associated with the IP address. The bill's definition also includes the individual's pseudonym and their e-mail address, as well as "identifiers assigned to the subscriber or client by the person, including account numbers" and "information relating to the services provided to the subscriber or client," notably the types of services provided, the period during which the services were provided and the information identifying the devices and equipment.

The bill does not provide a definition of "a person who provides services to the public," but as the information in question relates to "any client of a person who provides services to the public," it could be interpreted broadly as including anyone offering services to the public and that may hold data relevant to police

investigations, notably private sector companies, educational institutions and government-related entities. More specifically, it could include Internet service providers, as well as third parties who provide services to clients having IP addresses, which could include social media platforms, e-commerce sites, cloud service providers, and other businesses.

2.14.1.2 Information Demand

Clause 158 of the bill creates section 487.0121 of the *Criminal Code* to expand a peace officer or a public officer's (peace officer) ability, during an investigation, to demand certain types of information about an individual, without prior judicial authorization. The information demand *does not include the disclosure of the actual data*, but rather the information on whether the person who provides services to the public *holds the data*. The types of information that can be demanded include:

- whether the person providing the services had provided services to the subscriber, or to an account or identifier of the subscriber; and
- if the person providing the services has provided services to the subscriber, if they hold information including transmission data, the municipality in which the service was provided, if the service is provided outside Canada, the country and municipality in which it was offered, and the date the services were delivered.

The peace officer can make this demand for information "if they have reasonable grounds to suspect" that an offence has been committed or will be committed and if the information will assist in the investigation.[100]

The peace officer must give the service provider at least 24 hours to deliver the information. The demand may include a non-disclosure condition for a term not greater than one year after the day the service provider received the demand. Consequently, the subject of the investigation would not be notified of the demand until this period expires.

The person to whom the demand was made can apply in writing to a judge to revoke or vary the demand made by a police officer.

2.14.1.3 Production Order: Subscriber Information

Clause 159 of Bill C-2 introduces production orders for subscriber information under new section 487.0142 of the *Criminal Code*. The production order allows a peace officer or public officer to demand that a service provider produce a document "containing all the subscriber information that relates to any information, including transmission data, that is specified in the order and that is in their possession or control when they receive the order."

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An oath must be made by the peace officer or the public officer for the judge or justice to grant the order if there are reasonable grounds to suspect that an offence had been or will be committed, and that the information will assist in the investigation.

2.14.1.4 Foreign Communications Demand

Clause 160 of Bill C-2 introduces new section 487.018 to the *Criminal Code* allowing peace officer or a public officer, by means of an *ex parte* application, to make a request, to a foreign entity providing telecommunications services to the public to produce a document containing transmission data or subscriber information.[101] Section 4873.018(2) provides that the request may be granted by a judge or justice if there are reasonable grounds to suspect that an offence has been or will be committed, and the information will help in the investigation.

The term *foreign entity that provides telecommunications services* could be interpreted as meaning "a person who provides basic telecommunications services, including by exempt transmission apparatus" as the term *telecommunications providers* is currently defined in the *Telecommunication Act*.[102]

2.14.1.5 Exigent Circumstances

Currently a peace officer can conduct a warrantless search where it would otherwise be required if exigent circumstances make it impracticable to obtain one.[103] For instance, exigent circumstances include situations where the delay in obtaining a warrant could lead to the loss of evidence or pose a threat to the safety of an individual. A warrant is currently needed to obtain transmission data by means of a transmission recorder to assist in an investigation under section 492.2 of the *Criminal Code*. The current legislation requires a production order to obtain tracking data pursuant to section 487.017(1) of the *Criminal Code*.

Clause 167 of the bill amends section 487.11 of the *Criminal Code* to expand the police's ability to conduct a search without a warrant in exigent circumstances by authorizing the installation of a transmission date recorder and the seizure of subscriber information.

2.14.2 *Mutual Legal Assistance in Criminal Matters Act*

Clause 183 contains amendments to the MLAA.[104] This statute provides for the implementation of treaties for mutual legal assistance in criminal matters and provides Canada with the legal authority to obtain court orders on behalf of countries that are party to these agreements. The statute concerns, among other things, foreign investigations, arrest warrants, production orders and orders of restraint, search and

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seizure, the transfer of detained persons and the forfeiture of assets between Canada and other countries.

Bill C-2's amendments provide for additional clauses to be added after section 22.06 of the MLAA, thus following the section of the statute allotted for "Production Orders." The new section "Enforcement of Foreign Decisions for Production" essentially authorizes the Minister of Justice to allow Canadian authorities to help enforce foreign decisions requiring the production of transmission data or subscriber information held in Canada.

More precisely, section 22.07(7) of the MLAA indicates that the Minister may authorize a "competent authority" to enforce the decision, using a term defined in the MLAA as meaning "the Attorney General of Canada, the attorney general of a province or any person or authority with responsibility in Canada for the investigation or prosecution of offences."[105]

The process by which the competent authority is to apply for enforcement of the decision is outlined in section 22.07(2) of the MLAA.

The conditions under which the decision-maker assessing the application may make the decision enforceable differ according to the case at hand, as per section 22.07(3) of the MLAA. In the instance of transmission data, the decision-maker may make the decision enforceable if they are satisfied that an offence has been made or will be committed, and that the transmission data is in the person's possession or control and will assist in the investigation of the offence, as per section 487.016(2) of the *Criminal Code*.[106] In the case of subscriber information, the decision-maker may make the decision enforceable if they are satisfied that the conditions set out in the new section 487.0142 of the *Criminal Code*, as elaborated upon in section 2.14.1.3 of this legislative summary, are met.

Section 22.07(5) of the MLAA provides deadlines under which records containing transmission data (no later than 45 days after the day on which the decision is served) or subscriber information (no later than 20 days after the day on which the decision is served) must be produced. Section 22.07(10) of the MLAA refers to a *Criminal Code* offence punishable on summary conviction should the production order be contravened. As such, should a production order be breached without lawful excuse, the guilty party may be liable to a fine of not more than $250,000 or to imprisonment for a term of not more than two years less a day, or to both.[107]

The amendments to the MLAA also contain requirements around the records being sent abroad, as well as reporting requirements and associated timelines.

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2.14.3 *Canadian Security Intelligence Service Act*

Clauses 184 to 190 contain amendments to the CSIS Act.[108] This statute provides the legal foundation for the CSIS, including its establishment, its duties and functions, employee roles and responsibilities, its mandate, authorities, thresholds, specific powers and constraints. The amendments to the CSIS Act are geared toward enhancing CSIS's ability to access basic subscriber and service-related information from public service providers through formal information demands and judicial orders.

Clause 184 replaces the heading of Part II of the CSIS Act of "Judicial Control" with "Information Demand and Judicial Control."

Clause 185 makes additions to the beginning of Part II. Section 20.21(1) of the CSIS Act provides that, for the purpose of performing its duties regarding threats to the security of Canada (CSIS Act section 12) or in the collection of information concerning foreign states and persons (CSIS Act section 16), formal information demands may be made by CSIS requesting for data stored inside and outside Canada (subsection 20.21(2) of the CSIS Act) on the following types of information:

- specific subscriber, client, account or identifier;
- location, duration and nature of services provided; and
- information about other providers who may have served the same subject.

Section 20.21(2) of the CSIS Act clarifies that the information demand may be made in respect to information located outside Canada. As per section 20.21(3) of the CSIS Act, the time limit specified for the person or entity to provide the requirements mandated in the information demand must not consist of a duration of less than 24 hours.

Section 20.21(4) of the CSIS Act provides CSIS with the authority to impose a non-disclosure condition. Compliance with the demand is mandatory under section 20.21(5) of the CSIS Act. However non-compliance is not criminalized under section 126 of the *Criminal Code*. Not later than five days after the day on which the information demand is made, under section 20.22(1) of the CSIS Act, the person or entity may apply in writing to a judge to revoke or vary an information demand. Section 20.25 of the CSIS Act protects any person or entity who voluntarily complies with CSIS requests for information made in the context of threats to the security of Canada (section 12 of the CSIS Act) or in the collection of information concerning foreign states and persons (section 16 of the CSIS Act) from civil or criminal liability.

Clauses 186 to 188 amend the sections of the CSIS Act dedicated to the revocation or variation of production orders, making and hearing of applications, and regulations,

in order to better reflect the changes to the statute regarding information demands and information orders.

Clauses 189 and 190 involve updates to Schedule 2 of the CSIS Act by modifying forms to support new procedures for information demands and information orders.

2.14.4 *Controlled Drugs and Substances Act* and *Cannabis Act*

Clause 191 amends both the CDSA[7] and the *Cannabis Act*[8]. These amendments pertain to certain *Criminal Code* provisions related to computer data and other additions to the *Criminal Code* that were previously discussed in section 2.14.1 of this legislative summary, more specifically those governing the handling of electronic evidence under search warrants.

2.14.5 Coming into Force

Part 14 of Bill C-2 comes into force 90 days after Royal Assent.

2.15 PART 15: SUPPORTING AUTHORIZED ACCESS TO INFORMATION ACT (CLAUSES 194 AND 195 OF THE BILL)

Part 15 of Bill C-2 has two clauses: clause 194, enacting An Act respecting the obligations of electronic service providers in relation to authorized access to information (short title: Supporting Authorized Access to Information Act) (SAAIA); and clause 195 providing that this Part comes into force on a day to be fixed by order of the Governor in Council.

The purpose of the SAAIA, made up of 47 clauses, is to ensure that authorized persons can easily obtain information held by electronic service providers in a legal context, for example in police investigations (clause 3 of the SAAIA). An electronic service provider is a person that provides an electronic service, including for the purpose of enabling communications, to persons in Canada or during commercial activities carried out in whole or in part in Canada (clause 2 of the SAAIA).

As drafted, the SAAIA establishes two processes by which electronic service providers may be obliged to take measures: first, by regulatory obligations when designated as core providers; and second by ministerial order. The SAAIA also sets out general obligations to assist and confidentiality obligations for electronic service providers, a system of oversight by designated persons, and a system of administrative monetary penalties and violations in cases of non-compliance.

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2.15.1 Regulatory Obligations of Core Providers

The Governor in Council may designate certain classes of electronic service providers as "core providers" by adding them to the schedule of the SAAIA (subsection 5(1) of the SAAIA), although no class of provider is currently listed.

Subsection 5(2) of the SAAIA provides that the obligations of core providers will be established by regulations made by the Governor in Council and potentially having to do with the technical and operational capabilities required to extract and organize information that is authorized to be accessed, with devices or equipment allowing such access, as well as notices to be given to the Minister of Public Safety or other persons with respect to these capabilities or equipment.

Under subsection 5(3) of the SAAIA, a core provider may be exempt from an obligation if such obligation creates or prevents from rectifying a systemic vulnerability in electronic protections of the service, which include data security mechanisms such as encryption or authentication (section 2 of the SAAIA).

Section 6 of the SAAIA allows a core provider to apply for a temporary exemption from certain regulatory obligations. The Minister of Public Safety may exempt the core provider under conditions and for a specified period, if the application is justified and contains the required information. Pending the determination of the application, the obligation does not apply and if the application is denied, the Minister may specify a time limit for complying.

2.15.2 Obligations by Ministerial Order

Subsection 7(1) of the SAAIA gives the Minister of Public Safety the power to impose, by ministerial order, obligations similar to those set out by the regulations and for a determined period to any electronic service provider, whether or not they are a core provider.

Under subsections 7(2) to 7(4), the order must take into account factors such as the benefits to the administration of justice, feasibility, the cost of compliance, and the impacts on users of the service provider. Compensation may be provided to offset the provider's compliance costs. As with the regulatory obligations, a provider may be exempt if the obligation creates or prevents from rectifying a systemic vulnerability (subsection 7(4)).

Before making such an order, the Minister must consult the Minister of Industry and give the providers an opportunity to make representations (sections 8 and 9 of the SAAIA). Before the order expires, it must be reviewed to determine whether it should

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be extended (sections 10 to 12). In the event of inconsistency between an order and a regulation made under section 5 of the SAAIA, the order prevails (section 13).

2.15.3 Assistance and Confidentiality Obligations

Electronic service providers are required to provide, upon request, any reasonable assistance to evaluate or test devices that enable an authorized person to access information. Such request may be made by any person qualified to do so that is specifically listed in section 14 of the SAAIA and must be respected in the time and manner prescribed by regulations.

Section 15 of the SAAIA prohibits these providers, as well as any person acting on their behalf, from disclosing any information related to the ministerial order, except with legal authorization. This provision aims to protect the confidentiality of processes related to national security and investigations by strictly regulating the disclosure of information surrounding ministerial orders.

The Governor in Council may also make regulations respecting confidentiality, the security of facilities, requirements related to employees, and the protection of information in administrative or judicial proceedings (section 17 of the SAAIA).

A provider has the right to challenge an order or decision made under the LSMAAI through judicial review, provided that the supplier gives written notice to the Minister at least 15 days before making the application (section 16 of the SAAIA).

2.15.4 Administration and Enforcement

The Minister of Public Safety may, subject to conditions, designate persons for the purposes of the administration and enforcement of the SAAIA. The Minister issues a certificate attesting to this designation, which the designated person must present upon request to identify themselves in the course of their duties (section 18 of the SAAIA).

A designated person may enter any place (other than a dwelling-house) for the purpose of verifying compliance with the legislation, if they have reasonable grounds to believe that an activity or anything relevant to the verification is located in that place. The designated person has the power to examine, reproduce, or remove documents or electronic data and to use the equipment on site to do so. The provider's staff are required to assist (section 19 of the SAAIA). To enter a dwelling-house without consent, a warrant is required (section 20 of the SAAIA), and the use of force is permitted only if the warrant authorizes it and a peace officer is present.

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The designated person may also order an electronic service provider to conduct an internal audit of its practices, documents, and electronic data for a purpose related to verifying compliance or preventing non-compliance with the SAAIA (section 21 of the SAAIA). The provider must comply with the internal audit and submit a detailed report on it (section 22 of the SAAIA). If a designated person believes that there is a contravention, they may make an order requiring the provider to stop the activity in question and to take any measure necessary to be compliant (section 23 of the SAAIA). The provider must respect the order and inform the designated person once it is compliant (section 24 of the SAAIA).

The provider may request that the Minister review the order, but the order remains in effect pending the review unless the Minister decides otherwise. If a decision is not made within 90 days of the request for a review, the order is deemed confirmed (sections 25 and 26 of the SAAIA).

2.15.5 Administrative Monetary Penalties and Offences

The SAAIA sets out administrative monetary penalties (sections 27 to 30) and offences (sections 40 to 45) that both seek to ensure compliance with the legislation, but each differs in nature and consequences.

The administrative monetary penalties are not intended to punish, but rather to promote compliance with the SAAIA (section 27 of the SAAIA). They apply to the violation of certain legal or regulatory provisions. They may result in fines of up to $50,000 for individuals and $250,000 for entities, with a separate violation for each day of a continuing violation (section 28 of the SAAIA).

The same types of violations, upon summary conviction, may constitute an offence that is penal in nature and that result in much higher fines to a maximum of $100,000 for an individual and $500,000 for an entity. They are also calculated as separate violations for each day of a continuing violation (section 40 of the SAAIA).

In both cases, a defence is possible if the person establishes that they exercised due diligence (sections 28(4) and 40(4) of the SAAIA). In both cases, the violation or offence may be proven by establishing that it was committed by an employee or a mandatary, whether or not that person is identified (sections 29 and 41 of the SAAIA), and the directors or mandataries of an entity may be held personally responsible if they participated in the violation or offence (sections 30 and 42 of the SAAIA).

Other specific offences constitute obstruction (section 43 of the SAAIA) or false or misleading statements (section 44 of the SAAIA) and have separate fines (section 45 of the SAAIA).

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2.15.6 Regulations

The Governor in Council may make regulations on specific matters affecting the implementation of various aspects of the legislation to govern the administrative monetary penalties system (section 46 of the SAAIA).

Subsection 46(2) of the SAAIA requires the Minister of Public Safety to conduct a review of the regulations every five years from the date the first regulation was made, and subsection 46(3) of the SAAIA requires the publication of a public notice before the first regulation is made and during each review in order to gather observations from attorneys general in Canada and in each province, and core providers subject to an order.

Finally, section 47 states that the regulations may establish different classes of electronic service providers and treat them differently based on the type of services they offer or the size of their clientele in Canada.

2.16 PART 16: *PROCEEDS OF CRIME (MONEY LAUNDERING) AND TERRORIST FINANCING ACT* (COLLECTION AND USE OF PERSONAL INFORMATION) (CLAUSES 196 AND 197 OF THE BILL)

Part 16 of Bill C-2 amends the PCMLTFA to add new section 11.71. This section allows a person or entity identified in section 5 of that Act (reporting entities), namely authorized foreign banks, credit unions, and trust companies, to collect individuals' personal information without their knowledge or consent if two criteria are met.

First the information must be disclosed to a reporting entity by the RCMP, by a "prescribed government department, institution or agency" or by a "prescribed law enforcement agency" (the discloser). Second, the discloser must affirm, in writing, that the disclosure is made for the purposes of detecting or deterring money laundering, terrorist activity financing or sanctions evasion. The discloser must also affirm that disclosure is made without the knowledge or consent of the concerned individual so as to not comprise the ability to deter the above-noted activities. The discloser may also set out an additional purpose for the disclosure that is "consistent with the purposes set out in section 11.71."

Part 16 also amends the PCMLTFA to add new section 11.72. This section allows reporting entities to use the personal information collected under section 11.71, without the knowledge or consent of the concerned individual, for the purpose for which it was disclosed or for detecting or deterring a contravention of federal or provincial laws that relate to money laundering, terrorist activity financing or sanctions evasion. Personal information collected under section 11.71 must not be

used with the intent to prejudice a criminal investigation (new section 11.72(2)). If the information is collected and used in good faith, the reporting entity is immune from legal proceedings concerning collection or use of personal information under sections 11.71 and 11.72 (new section 11.73).

Part 16 makes related amendments to *Personal Information Protection and Electronic Documents Act* (PIPEDA)[109] Sections 7(1) and 7(2) of PIPEDA allow private sector organizations to use or collect personal information "without the knowledge or consent of the individual" in enumerated circumstances (exceptions to consent).[110] Part 16 adds new exceptions to consent in PIPEDA. They are:

- if the collection of personal information "is made in accordance with section 11.71 of the [PCMLTFA]"; and
- if the use of personal information "is made in accordance with section 11.72 of the [PCMLTFA]."

Section 9(3) of PIPEDA provides that an organization is not required to give access to personal information requested by an individual in enumerated circumstances. Part 16 amends that section to add one circumstance: where the personal information was collected under the new exception to consent for the collection of personal information described above.

3 COMMENTARY

Balancing national security and public safety with the protection of individual rights remains a complex and evolving challenge. While governments have a legitimate interest in implementing measures to safeguard the public, these efforts must be carefully weighed against the rights and freedoms guaranteed under the Charter.

In this regard, several stakeholders have raised concerns about the wide reach of Bill C-2, including with respect to Charter implications such as equality rights, privacy and due process.[111]

3.1 RIGHT TO LIFE, LIBERTY AND SECURITY OF THE PERSON (SECTION 7 OF THE CHARTER)

Section 7 of the Charter guarantees the right to life, liberty, and personal security of all individuals physically present in Canada, and that these rights cannot be deprived except in accordance with the principles of fundamental justice. This includes the right to a fair legal process, protection from arbitrary detention, and access to legal remedies when rights are infringed.[112]

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Bill C-2 makes changes to immigration and asylum procedures. While these changes include some procedural enhancements – such as simplified online applications and support for vulnerable claimants – some stakeholders have criticized the changes as lacking critical safeguards like guaranteed access to legal counsel, independent judicial review before deportation, and meaningful appeal mechanisms.[113]

According to these stakeholders, these omissions risk undermining the procedural fairness that section 7 of the Charter is intended to protect; for example, the combination of accelerated timelines, expanded executive discretion, and limited transparency would create a legal environment in which individuals may be removed from Canada without a full and fair assessment of their claims or the risks they face. As pointed out by some stakeholders, this is particularly concerning for claimants from countries with poor human rights records, as they are more likely to face serious threats to their right to life, liberty, and security of the person upon return.[114]

3.2 PRIVACY IMPLICATIONS (SECTION 8 OF THE CHARTER AND RELEVANT FEDERAL LEGISLATION)

Privacy is considered a fundamental right in Canada. Although the Charter makes no explicit reference to it, the right to privacy is protected by section 8, the right to be secure from unreasonable search or seizure. It is also generally understood that section 7 of the Charter, the right to life, liberty and security, can offer residual protection.[115] There can be limits to the right to privacy in various circumstances.[116] It has already been established that the reasonable expectation of privacy diminishes at the border, for example.[117]

Federal privacy legislation also protects the right to privacy of Canadians. The *Privacy Act*[118] applies to the collection, use and disclosure of personal information by government institutions.[119] The *Personal Information Protection and Electronic Documents Act* (PIPEDA)[120] regulates those same activities for private sector organizations in the context of a commercial activity. PIPEDA applies in all provinces and territories, except in provinces that have enacted legislation substantially similar to PIPEDA.[121] It also applies to any "federal work, undertaking or business" – that is an organization that falls under federal jurisdiction such as a bank, a telecommunications company or an airport.[122]

The general rule under both the *Privacy Act* and PIPEDA is that personal information should be collected, used and disclosed only with the consent of the concerned individual. However, exceptions to consent exist in both Acts. For instance, the *Privacy Act* provides that personal information under the control of a government institution can be used or disclosed without the knowledge or consent of the

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individual for "any purpose in accordance with any Act of Parliament or any regulation made thereunder that authorizes its disclosure."[123]

As indicated above, Bill C-2 amends various Acts of Parliament to provide actors, including law enforcement agencies, Immigration, Refugees and Citizenship Canada, and Canada Post with greater authority to collect and share information, including, in some cases, personal information, to support the enforcement of various laws.

Considering this enhanced access and sharing of personal information, some stakeholders have raised concerns about the impact of Bill C-2 on privacy.[124] Of particular concern for these stakeholders are Parts 14 and 15 of the bill, which provide greater authority for the police, CSIS or other authorized persons under the *Criminal Code* or the CSIS Act to access some subscriber information or information, intelligence or data in the hands of electronic service providers.[125]

Other stakeholders argue that greater access to electronic data by law enforcement is necessary to ensure the latter's capacity to combat certain illegal activities conducted online.[126]

3.3 RIGHT TO EQUALITY (SECTION 15 OF THE CHARTER)

Section 15 of the Charter affirms the right of every individual to be treated equally by the law, ensuring equal protection and benefit without discrimination. This includes protection against laws or policies that disproportionately impact marginalized or vulnerable groups. The SCC has emphasized that promoting equality means fostering a society where individuals are "equally deserving of concern, respect and consideration" as human beings under the law.[127]

In the past, the protection of equality rights under section 15 has been applied to various forms of government action, including legislation, regulations, directives, policies, programs, etc. While it does not impose an obligation on governments to eliminate inequalities,[128] it does require that government actions do not discriminate.[129]

Bill C-2 introduces powers that allow immigration officials to pause, cancel, or suspend immigration applications, and to reject asylum claims if they are not made within a strict timeframe. According to some stakeholders, these types of new powers may infringe on section 15 by disproportionately affecting racialized communities, survivors fleeing violence like women and girls and 2SLGBTQIA+[130] people and individuals from countries with authoritarian regimes who may face delays or fear in coming forward.[131]

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According to some stakeholders, the bill's expanded surveillance and data-sharing powers from law enforcement and other government agencies could potentially lead to discriminatory profiling or targeting, particularly in the context of immigration enforcement. They have pointed out that enhanced authority for law enforcement to access Internet subscriber data, as well as data-sharing between Canadian and foreign authorities allowed under Bill C-2, could disproportionately affect racialized and immigrant communities.[132]

Additionally, according to some stakeholders, the lack of transparency and accountability mechanisms may make it harder for affected individuals to challenge discriminatory practices or seek redress.[133] As Bill C-2 amends multiple laws without clearly outlining oversight mechanisms, some stakeholders believe that these changes may hinder individuals' ability to understand or contest decisions that affect their rights.[134]

NOTES

1. Bill C-2, An Act respecting certain measures relating to the security of the border between Canada and the United States and respecting other related security measures, 45th Parliament, 1st session.
2. Public Safety Canada, *Government of Canada strengthens border security*, News release, 3 June 2025.
3. Government of Canada, *Bill C-2: An Act respecting certain measures relating to the security of the border between Canada and the United States and respecting other related security measures*, Charter Statement, 19 June 2025.
4. *Customs Act*, R.S.C. 1985, c. 1 (2nd Supp.).
5. *Oceans Act*, S.C. 1996, c. 31.
6. *Sex Offender Information Registration Act* (SOIRA), S.C. 2004 c. 10.
7. *Immigration and Refugee Protection Act* (IRPA), S.C. 2001, c. 27.
8. *Department of Citizenship and Immigration Act*, S.C. 1994, c. 31.
9. *Controlled Drugs and Substances Act* (CDSA), S.C. 1996, c. 19.
10. *Criminal Code*, R.S.C. 1985, c. C-46.
11. *Mutual Legal Assistance in Criminal Matters Act*, R.S.C. 1985, c. 30 (4th Supp.).
12. *Canadian Security Intelligence Service Act*, R.S.C. 1985, c. C-23.
13. *Canada Post Corporation Act*, R.S.C. 1985, c. C-10.
14. *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA), S.C. 2000, c. 17.
15. Public Safety Canada, *Government of Canada announces its plan to strengthen border security and our immigration system*, News release, 17 December 2024.
16. Government of Canada, *Strengthening border security*.
17. Public Safety Canada, *Government of Canada expands plan to strengthen border security*, News release, 4 February 2025.
18. Department of Finance Canada, *Government launches new intelligence sharing partnership focused on fentanyl trafficking and other criminal use of funds*, News release, 20 February 2025.

19. Public Safety Canada, *Government of Canada lists seven transnational criminal organizations as terrorist entities*, News release, 20 February 2025.

20. Government of Canada, "Canada's Border Plan," *Strengthening border security*.

21. Public Safety Canada, *Government of Canada strengthens border security*, News release, 3 June 2025.

22. *Controlled Drugs and Substances Act*, S.C. 1996, c. 19.

23. Precursor chemicals are chemicals that are essential to the production of a controlled substance. They have a wide legitimate use in the production of consumer goods such as

> pharmaceuticals, fragrances, flavouring agents, petroleum products, fertilizers and paints. For example, ephedrine and pseudoephedrine, commonly used in cold and decongestant medicine, are precursor chemicals that are used to produce methamphetamine.

Government of Canada, *Controlled substances and precursor chemicals*.

24. A controlled substance is

> any type of drug that the federal government has categorized as having a higher-than-average potential for abuse or addiction. Such drugs are divided into categories based on their potential for abuse or addiction. Controlled substances range from illegal street drugs to prescription medications.

Government of Canada, *Controlled substances and precursor chemicals*.

25. Government of Canada, *Order Amending Schedule V to the* Controlled Drugs and Substances Act *(Fentanyl Precursors and Carisoprodol): SOR/2025-64*, 3 March 2025, in *Canada Gazette*, Part II, 28 February 2025.

26. Ibid.

27. Ibid.

28. *Precursor Control Regulations* (PCR), SOR/2002-359.

29. The CDSA targets controlled substances, in other words, the illicit drugs themselves and the precursors listed in Schedule VI. Adding a product to the schedule of the PCR or to the schedule of the CDSA has different consequences in terms of control and regulation. Unless authorized by regulations or exemption by the Minister of Health, the production, sale, import and export of controlled substances and chemical precursors listed in the CDSA is illegal. The PCR "provide[s] a framework for the regulation of certain legitimate activities with precursors." Currently, "precursors are controlled under Schedule VI of the CDSA and subject to the PCR." Health Canada, *Health Canada publishes proposed changes to increase oversight for precursor chemicals and drug equipment*, News release, 30 January 2025.

30. The *Letter Definition Regulations* (SOR/83-481, s. 2) state that a letter is "one or more messages or information in any form, the total mass of which, if any, does not exceed 500g, whether or not enclosed in an envelope, that is intended for collection or for transmission or delivery to any addressee as one item." These regulations also provide exceptions to this definition, including items that are addressed anonymously (e.g., "occupant" or "resident"); cheques and other forms of financial information/transactions; diplomatic correspondence; and various media like tapes, discs, newspapers, magazines, and books, among other items.

31. *Budget Implementation Act, 2023, No. 1*, S.C. 2023, c. 26.

32. *R. v. Gorman* [PDF], 2022 NLSC 3. Specifically, the decision held that section 8 of the *Canadian Charter of Rights and Freedoms*, providing protections against unreasonable search or seizure, was violated.

For more information, please see "2.4.30 Division 30 – Amendment to the *Canada Post Corporation Act*, Regarding the Authority to Open Mail," in Economics, Resources and International Affairs Division and Legal and Social Affairs Division, *Legislative Summary of Bill C-47: An Act to implement certain provisions of the budget tabled in Parliament on March 28, 2023*, Publication No. 44-1-C47-E, Library of Parliament, 17 May 2023.

33. *Budget Implementation Act, 2023, No. 1*, S.C. 2023, c. 26, s. 509.

34. Bill S-256, An Act to amend the Canada Post Corporation Act (seizure) and to make related amendments to other Acts, 44th Parliament, 1st Session.

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35. Government of Canada, *Our mandate*.

36. Public Safety Canada, *The Strong Borders Act – Government of Canada strengthens border security*, Backgrounder.

37. *Department of Fisheries and Oceans Act*, R.S.C. 1985, c. F-15.

38. *Security of Canada Information Disclosure Act*, S.C. 2015, c. 20, s. 2.

39. *Department of Citizenship and Immigration Act*, S.C. 1994, c. 31.

40. *Privacy Act*, R.S.C. 1985, c. P-21, s. 3.

41. Within the meaning of section 2 of the *Avoiding Complicity in Mistreatment by Foreign Entities Act*, S.C. 2019, c. 13, s. 49.1.

42. *Immigration and Refugee Protection Act*, S.C. 2001, c. 27.

43. Bill C-69, An Act to implement certain provisions of the budget tabled in Parliament on April 16, 2024, 44th Parliament, 1st Session (first reading version, 2 May 2024).

44. Bill C-69, An Act to implement certain provisions of the budget tabled in Parliament on April 16, 2024, 44th Parliament, 1st Session (second reading version, 5 June 2024).

45. House of Commons, Standing Committee on Finance, *Minutes of Proceedings*, 4 June 2024.

46. House of Commons, Standing Committee on Finance, *Evidence*, 4 June 2024, 1245 (Ryan Turnbull, Liberal Member for Whitby, Parliamentary Secretary to the Minister of Finance and National Revenue and to the Secretary of State (Canada Revenue Agency and Financial Institutions)).

47. See the recommendations of the Office of the Auditor General of Canada, *Processing of Asylum Claims*, Report 2 in *2019 Spring Reports of the Auditor General of Canada to the Parliament of Canada*; and with respect to the Strategic Review, see Government of Canada, *CIMM – Strategic Immigration Review – October 24, 2023*.

48. Prime Minister of Canada, *Minister of Immigration, Refugees and Citizenship Mandate Letter*, 16 December 2021.

49. Under section 4 of the IRPA, except as otherwise provided in this section, the Minister of Citizenship and Immigration is responsible for the administration of the Act. However, the Minister of Public Safety and Emergency Preparedness is responsible for examinations at ports of entry, enforcement measures pertaining to arrest, detention and removal, and the exceptions to inadmissibility in section 42.1.

50. Canada Border Services Agency (CBSA), *Directory of CBSA Offices and Services*.

51. Under section 6(1) of the IRPA, the Minister designates officers responsible for enforcing the legislation and their powers and duties. See Citizenship and Immigration Canada, *Instrument of Delegation: Citizenship Act and Regulations*, 16 October 2023.

52. Immigration, Refugees and Citizenship Canada (IRCC), *Canada ends the Designated Country of Origin practice*, News release, 17 May 2019.

53. See *Canadian Doctors For Refugee Care v. Canada (Attorney General)*, 2014 FC 651 (CanLII).

54. *Immigration and Refugee Protection Act*, S.C. 2001, c. 27, section 112(2).

55. In particular, the legislator just defined the term “prescribed” as “prescribed by regulation” in the list of terms defined in section 2 of the English version of the IRPA. Several similar changes are made to reflect this addition, see for example clauses 37 and 41 of Bill C-2. In the French version of the legislation, this definition is not necessary since the legislator uses “réglementaire” or “par règlement.” Other terminological corrections are also made to the French version of the legislation, see for example clause 38.

56. *Budget Implementation Act, 2023, No. 1*, S.C. 2023, c. 26.

57. Public Safety Canada, “Backgrounder,” *The Strong Borders Act –Government of Canada strengthens border security*.

58. Government of Canada, *Additional information about the Strong Borders Act*, 17 June 2025. Currently, the IRPA includes several provisions that address public health and national security, primarily through rules on inadmissibility (sections 34 to 38 inclusively) and discretionary powers (under Division 2).

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59. Government of Canada, *New rules to strengthen temporary resident document cancellations, and border security and integrity*, 12 February 2025.

60. This can be seen as problematic as stated by one law firm:

> The possibility that IRCC could halt or cancel applications mid-process–potentially for broad reasons like public health or national security–may create concerns about the predictability and reliability of Canada's immigration system. … While the government's intent is to enhance system flexibility and security, applicants may perceive these measures as undermining the fairness and consistency of the immigration process.

Borders Law Firm, "Implications of IRCC's Expanded Powers to Cancel Applications," *Understanding the Strong Borders Act Bill C-2 and Its Implications for Canadian Immigration*, 3 June 2025.

61. Including scrutiny by Parliament *Statutory Instruments Act*, R.S.C. 1985, c. S-22, s. 19.

62. For more information, read Treasury Board of Canada Secretariat, "4.0 The regulatory life cycle approach," *Cabinet Directive on Regulation*.

63. Government of Canada, *Additional information about the Strong Borders Act*, 17 June 2025.

64. Public Safety Canada, *The Strong Borders Act – Government of Canada strengthens border security*, Backgrounder.

65. In the IRPA, under section 101(1), there are currently seven grounds for ineligibility.

66. Public Safety Canada, *The Strong Borders Act – Government of Canada strengthens border security*, Backgrounder. The Canadian Council for Refugees criticizes this measure because it "fails to acknowledge the reality that situations change." Canadian Council for Refugees, *Statement on Bill C-2: Dangerous new border legislation erodes refugee rights and will make many in Canada less safe*, 5 June 2025.

67. The 14-day period of entry into Canada to claim refugee protection was introduced by the United States as part of the *Additional Protocol to the Agreement Between the Government of Canada and the Government of the United States of America for cooperation in the examination of refugee status claims from nationals of third countries*, also known as the Additional Protocol to the Safe Third Country Agreement, signed in March 2022. For more information, read the Philippe Antoine Gagnon and Robert Mason, "Expansion of the Agreement by the Additional Protocol," *Overview of the Canada–United States Safe Third Country Agreement*, Library of Parliament, Publication No. 2020-70-E, 1 September 2023.

68. These risks were created in March 2022 with the Additional Protocol to the Safe Third Country Agreement. For more information, read "Regulatory Impact Analysis Statement," *Regulations Amending the Immigration and Refugee Protections Regulations (Examination of Eligibility to Refer Claim)*, SOR/2023-58, 23 March 2023 in *Canada Gazette*, Part II, 12 April 2023, p. 978.

69. The Canadian Council for Refugees also points out that, in Canada, "the one-year countdown would start from the **very first time** a person entered the country, retroactively applying this new rule to all arrivals after June 2020," whereas, in the United States (U.S.), the "rule is that a refugee claim must be made within one year of a person's **most recent** entry into the U.S." Canadian Council for Refugees, *Statement on Bill C-2: Dangerous new border legislation erodes refugee rights and will make many in Canada feel less safe*, 5 June 2025 [EMPHASIS IN THE ORIGINAL].

70. For more information, read Government of Canada, "Who can apply," *Pre-removal risk assessment*.

71. *Budget Implementation Act, 2024, No. 1*, S.C. 2024, c. 17.

72. *Proceeds of Crime (Money Laundering) and Terrorist Financing Administrative Monetary Penalties Regulations*, SOR/2007-292.

73. These provisions were introduced in the *Fall Economic Statement Implementation Act, 2023*, S.C. 2024, c. 15.

74. *Canada Elections Act*, S.C. 2000, c. 9

75. *Retail Payments Activities Act*, S.C. 2021, c. 23, s. 177.

76. *Budget Implementation Act, 2023, No. 1*, S.C. 2023, c. 26.

77. This new prohibition applies unless there are prescribed circumstances. Of note, Bill C-2 does not contain regulatory provisions detailing what these prescribed circumstances are.

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78. *Currency Act*, R.S.C., 1985, c. C-52.

79. Of note, section 1(2) of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations*, SOR/2002-184 also provides a similar definition of the term "cash." However, this definition only applies in the context of these regulations.

80. *Proceeds of Crime (Money Laundering) and Terrorist Financing Administrative Monetary Penalties Regulations* (PCMLTFAMPR), SOR/2007-292.

81. Of note, clause 124 of Bill C-2 amends the PCMLTFAMPR to increase the maximum penalties for all classes of violations, which includes the maximum penalty for a "very serious" violation under the new prohibition. These changes are discussed in the previous section of the present legislative summary.

82. The exceptions are provided in new section 77.5(3) of the PCMLTFA. Of note, Bill C-2 does not contain regulatory provisions detailing who are the prescribed persons and entities, or the prescribed classes of cash payments, donations and deposits referred to in new sections 77.5(3)(a) and 77.5(3)(b), respectively.

83. Public Safety Canada, *The Strong Borders Act – Government of Canada strengthens border security*, Backgrounder.

84. *Office of the Superintendent of Financial Institutions Act* (OSFIA), R.S.C. 1985, c. 18 (3rd Supp.), Part I.

85. See sections 18(2) and 18(3) of the OSFIA.

86. Public Safety Canada, *Government of Canada strengthens border security*, News release, 3 June 2025.

87. In this Part, the term offender or sex offender will refer to a registered sex offender subject to a reporting order under the SOIRA.

88. *Sex Offender Information Registration Act*, S.C. 2004, c. 10, s. 41(1).

89. This information includes the date and location of an offender's departure from and return to Canada, the country they travelled to or from, and flight details if the offender travelled to or from Canada by airplane.

90. The Royal Canadian Mounted Police is responsible for administering the National Sex Offender Registry.

91. Bill C-2, An Act respecting certain measures relating to the security of the border between Canada and the United States and respecting other related security measures, amended section 16(4)(c).

92. Ibid., amended section 16(4)(j.1).

93. Ibid., amended section 16(4)(j.2).

94. Ibid., new section 16(4)(c.1).

95. Ibid., new section 16(4)(c.2).

96. *R. v. Spencer*, 2014 SCC 43, para. 11.

97. According to the Supreme Court of Canada's decision in *R. v. Bykovets*, 2024 SCC 6, an Internet Protocol (IP) address is

> a unique identification number. IP addresses identify Internet-connected activity and enable the transfer of information from one source to another. They are necessary to access the Internet. An IP address identifies the source of every online activity and connects that activity (through a modem) to a specific location. And an Internet Service Provider (ISP) keeps track of the subscriber information that attaches to each IP address.

98. *R. v. Spencer*, 2014 SCC 43, para. 11; and *Canadian Charter of Rights and Freedoms*, Part I of the *Constitution Act*, *1982*, being Schedule B of the *Canada Act 1982*, 1982, c. 11 (U.K.).

99. *R. v. Bykovets*, 2024 SCC 6.

100. In paragraph 75 of *R. v. Kang-Brown*, 2008 SCC 18, the Supreme Court of Canada provided the following definition of "reasonable grounds to suspect": "'Suspicion' is an expectation that the targeted individual is possibly engaged in some criminal activity. A 'reasonable' suspicion means something more than a mere suspicion and something less than a belief based upon reasonable and probable grounds." In paragraph 27 of *R. v. Chehil*, 2013 SCC 49, the Supreme Court of Canada stated that "while reasonable grounds to suspect and reasonable and probable grounds to believe are similar in that they both must be grounded in objective facts, reasonable suspicion is a lower standard, as it engages the reasonable possibility, rather than probability, of crime."

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101. An *ex parte* application means an application made without notice to the other party concerned by the application.

102. *Telecommunications Act*, S.C. 1993, c. 38, s. 2.

103. *Criminal Code*, R.S.C. 1985, c. C-46, s. 487.11. The term "exigent circumstances" was interpreted by the Supreme of Canada in paragraph 33 of *R. v. Paterson*, 2017 SCC 15, as "not merely convenience, propitiousness or economy, but rather *urgency*, arising from circumstances calling for immediate police action to preserve evidence, officer safety or public safety."

104. *Mutual Legal Assistance in Criminal Matters Act*, R.S.C. 1985, c. 30 (4th Supp.).

105. Ibid, s. 2(1).

106. *Criminal Code*, R.S.C. 1985, c. C-46, paras. 487.016(2)(a) and 487.016(2)(b).

107. Ibid., para. 487.0198.

108. *Canadian Security Intelligence Service Act*, R.S.C. 1985, c. C-23.

109. *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5.

110. Section 7(3) of PIPEDA, similarly, allows for the disclosure of personal information by a private sector organization in certain enumerated circumstances.

111. Kate Robertson, "Unspoken Implications: A Preliminary Analysis of Bill C-2 and Canada's Potential Data-Sharing Obligations Towards the United States and Other Countries," *The Citizen Lab*, 16 June 2025; OpenMedia, *Joint Call for the Withdrawal of Bill C-2*, 18 June 2025; Migrant Rights Network, Canadian Council for Refugees and International Civil Liberties Monitoring Group, *Withdraw Bill-C-2 | Retirez le projet de loi C-2*, 18 June 2025; Ontario Council of Agencies Serving Immigrants et al., *Open Letter: Canada puts refugee claimants at risk with Bill C-2*, 13 June 2025; and Canadian Council for Refugees, *Statement on Bill C-2: Dangerous new border legislation erodes refugee rights and will make many in Canada less safe*, 5 June 2025.

112. *Charkaoui v. Canada (Citizenship and Immigration)*, [2007] 1 SCR 350, para. 19.

113. See, for example: Borders Law Firm, *Understanding the Strong Borders Act Bill C-2 and Its Implications for Canadian Immigration*, 3 June 2025; and Amnesty International, *Bill C-2, Canada's new border bill, an attack on the human right to seek asylum*, 4 June 2025.

114. Pratyush Dayal, "Experts warn of Bill C-2 as 'anti-refugee' and 'anti-immigrant' giving Canada 'unchecked powers' like the U.S.," *CBC News*, 5 June 2025; Ontario Council of Agencies Serving Immigrants, *Open Letter: Canada puts refugee claimants at risk with Bill C-2*, 13 June 2025; and Barbra Schlifer Commemorative Clinic, *Statement: Bill C-2-Risks Undermining Canada's Commitments to Gender-Based Violence Survivors*.

115. Barbara McIsaac, Kris Klein and Shaun Brown, "Chapter 1. The Privacy Challenge," *Law of Privacy in Canada*, 2021, § 1:5–§ 1:7 [SUBSCRIPTION REQUIRED]; Barbara Von Tigerstrom, *Information & Privacy Law in Canada*, 2020, pp. 12–24; Government of Canada, *Section 7 – Life, liberty and security of the person*; and *R. v. Bykovets*, 2024 SCC 6, paras. 6–8 and 29.

116. *R. v. Bykovets*, 2024 SCC 6, paras. 30–31:

> To establish a breach of s. 8, a claimant must show there was a search or seizure, and that the search or seizure was unreasonable. … A search occurs where the state invades a reasonable expectation of privacy. An expectation of privacy is reasonable where the public's interest in being left alone by the government outweighs the government's interest in intruding on the individual's privacy to advance its goals, notably those of law enforcement (*Hunter*, at pp. 159–160).

117. *R. v. Simmons*, [1988] 2 SCR 495, para. 52. See also: *R. v. Monney*, [1999] 1 SCR 652, paras. 34–36; and *R. v. Jacques*, [1996] 3 SCR 312, para. 18.

118. *Privacy Act*, R.S.C., 1985, c. P-21.

119. Ibid, s. 3. A government institution is a department, ministry, body or office listed in Schedule I of the *Privacy Act* and federal Crown corporations within the meaning of section 83 of the *Financial Administration Act*.

120. *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5.

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121. Ibid., s. 26(2). Alberta, British Columbia and Québec have adopted substantially similar legislation.

122. *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, s. 2.

123. *Privacy Act*, R.S.C. 1985, c. P-21, ss. 7 and 8.

124. See, for example: International Civil Liberties Monitoring Group, *New Border Bill Raises Major Concerns for Civil Liberties, Privacy, and Refugee Rights*; Michael Geist, *Privacy At Risk: Government Buries Lawful Access Provisions in New Border Bill*, News blog, 4 June 2025; and Kate Robertson, "Unspoken Implications: A Preliminary Analysis of Bill C-2 and Canada's Potential Data-Sharing Obligations Towards the United States and Other Countries," *The Citizen Lab*, 16 June 2025.

125. Ibid. Detailed subscriber content still requires a warrant.

126. See, for example: Canadian Association of Chiefs of Police, *Statement: Canada's Police Chiefs Welcome the Strong Borders Act*, 4 June 2025; and Canadian Centre for Child Protection, *STATEMENT: the Strong Borders Act would help streamline Canada's police response to online crimes against children*, 4 June 2025.

127. *R. v. Kapp*, [2008] 2 SCR 483, para. 15, citing *Andrews v. Law Society of British Columbia*, [1989] 1 SCR 143, para. 171.

128. *Auton (Guardian ad litem of) v. British Columbia (Attorney General)*, [2004] 3 SCR 657; and *R. v. Sharma*, 2022 SCC 39.

129. *Eldridge v. British Columbia (Attorney General)*, [1997] 3 SCR 624; and *Vriend v. Alberta*, [1998] 1 SCR 493.

130. The acronym 2SLGBTQIA+ represents Two-Spirit, Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, and other sexual orientations and gender identities.

131. Pratyush Dayal, "Experts warn of Bill C-2 as 'anti-refugee' and 'anti-immigrant' giving Canada 'unchecked powers' like the U.S.," *CBC News*, 5 June 2025; Ontario Council of Agencies Serving Immigrants, *Open Letter: Canada puts refugee claimants at risk with Bill C-2*, 13 June 2025; and Barbra Schlifer Commemorative Clinic, *Joint Statement: Bill C-2-Risks Undermining Canada's Commitments to Gender-Based Violence Survivors*.

132. Kate Robertson, "Unspoken Implications: A Preliminary Analysis of Bill C-2 and Canada's Potential Data-Sharing Obligations Towards the United States and Other Countries," *The Citizen Lab*, 16 June 2025

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