



Event: Policy Roundtable of Canadians Abroad, organized by the Asia Pacific Foundation of Canada.

Participants: 26 government officials, academics, business people and NGO representatives.

Location: University of Ottawa.

Date: June 29, 2007.

Main conclusions: Canadians overseas raise wide-ranging policy issues; their impact is likely to grow in importance as their numbers swell and they age; and there is a need for public policies that can contain or minimize national exposure to unanticipated public costs.

Policy Roundtable on Canadians Abroad Summary Report

Prepared by the Asia Pacific Foundation of Canada

Friday, June 29, 2007, Ottawa, Canada

“We either use it or lose it” –Prime Minister Stephen Harper on the need for new vessels to patrol the Arctic, demonstrating Canadian sovereignty over the territory.

The purpose of the roundtable was to assess the current body of knowledge on Canadians living abroad, identify policy challenges, and develop an agenda for further research and consultation. According to research by APF Canada, there are approximately 2.7 million Canadian citizens residing abroad¹. As a share of national population, Canada’s “diaspora” is larger than that of Australia, the United States, India, and China. There has been little analysis, however, of the size, scope, and policy implications of Canada’s overseas citizens.

The roundtable consisted of four sessions, as shown in Annex A:

- Scale, Location, and Characteristics of Canadians Abroad
- Passports and Solo-, Dual-, or Shared-Citizenship
- Consular Conundrums and Beyond: Canada’s Services to its Overseas Citizens
- Transnational Business, Cultural & Innovation Linkages

¹ Kenny Zhang (2006), “Recognizing the Canadian Diaspora,” *Canada Asia Commentary No. 41*, Asia Pacific Foundation of Canada, (www.asiapacific.ca/analysis/pubs/pdfs/commentary/cac41.pdf).

Discussion papers and PowerPoint presentations will be posted on the Foundation's website at www.asiapacific.ca.

Session 1: Scale, Location, and Characteristics of Canadians Abroad

In the wake of the Lebanon evacuation in 2006, the issue of Canadians residing abroad has received significant public attention. Much of the debate on Canadian overseas has focused on the net economic and social benefits for Canada. Some fundamental questions have yet to be answered, however, including:

- How many Canadian citizens reside abroad, and where?
- What are their demographic and economic profiles?
- What are their connections to Canada, if any?

The Canadian census does not cover citizens outside the country, and any attempt to do so comprehensively is likely to be very expensive. Statistics Canada keeps a number of statistics on Canadian emigration that can be used as a baseline for Canadian diaspora estimations, but the complexity of the migration process presents significant conceptual and administrative challenges to any accurate measurement of Canada's overseas population.

Other sources provide a glimpse of the number of Canadians living abroad. For instance, the OECD reports that there are 1.1 million Canada-born Canadians living in other OECD countries, mainly in the US, UK, and Australia. Some host countries also catalogue the number of resident Canadians living within their borders, but these estimates are not comprehensive. Canada's Department of Foreign Affairs and International Trade estimates that 2.5 million Canadians may be eligible for consular services at any given time. APF Canada puts this number at about 2.7 million.

During the first session, APF Canada presented the preliminary findings of a survey on Views of Canadians Abroad². These findings include:

- The majority of survey respondents are Canadians by birth (64%)
- They tend to be young, at 30 – 44 years
- 58% are male; 42% are female
- Respondents are highly educated, with 95% having some postsecondary or higher education
- Respondents tend to be scattered globally
- Most are long-term residents in their host countries: 56% have lived outside Canada 5 years or longer
- Job/career opportunity is the most frequent reason given for living abroad (64%)
- 27% work for international businesses
- Connections with Canada include:
 - 64% of respondents call Canada home
 - 54% make at least one trip to Canada per year
 - 69% plan to return to Canada in the future
 - Among the stated reasons for a possible return, being closer to family/friends (25%), and enjoying the quality of life in Canada (24%) were the most frequent
 - Ontario (40%), B.C. (30%), and Quebec (11%) are their primary origins

² The survey was conducted by APF Canada. A final report will soon be available at www.asiapacific.ca.

This presentation was followed by a lively discussion on the quality of emigration numbers and their implications for public policy. Questions raised include:

- Should we care about the number of Canadians living abroad? Is it worrisome if the numbers are growing significantly?
- What is our 'exposure' in terms of economic, social, and political risks? Should we overseas Canadians as "contingent liabilities"?
- Are the risks inherent in our present configuration of entitlements likely to outweigh the projected benefits associated with our policies?
- What benefits might Canadians overseas generate over a lifetime of living abroad?

Two things in particular have changed for the Canadians abroad in whom we would likely have an interest. First, an increasing number of people now have access to a range of options that can be utilized in imaginative ways for themselves, and for members of their family, over the course of their lifetimes: education, training, job experience, tax breaks/financial freedom, medical care, comfortable retirement. Second, the accessibility of these options (potential claims that can be exercised) and the benefits to which the option-holders are entitled have begun to change as host countries maneuver and alter their policy regimes in an attempt to keep productive diasporas within their borders.

A variety of potential policy research projects were highlighted in this session. Apart from the obvious need for a more accurate method of measuring and profiling overseas Canadians, there is also a need for research that assesses the potential domestic costs and benefits of large overseas populations. Two suggested directions were presented:

- The first direction concerns coverage. Rather than address abstract questions of who technically has a claim on Canada, this research direction would instead examine the actual circumstances in which people exercise their claims. It would also aim to illustrate, based on risk assessments, the numbers, characteristics, and fiscal implications of possible diasporal 'Canada-claimants'.
- The second direction concerns provision. Instead of examining the benefits that accrue from increased trade, increased investment, increased technology transfers, etc. This direction would focus on the Canadian 'producers' of those benefits, their characteristics, and the nature of their affiliation with Canada.

Session 2: Passports and Solo-, Dual-, or Shared-Citizenship

The second session looked at economic policy issues that arise from the contemporary movements of Canadians facilitated by dual citizenship. In short, this session asked: who gains and who loses from such movement?

Today, dual-citizenship migration is largely made up of highly skilled individuals who are part of a "brain circulation" movement between sending, entrepôt, and receiving countries. Aside from precise movement numbers, a sorting mechanism that explains who stays, who leaves, and who returns is needed so that the possible economic ramifications of this movement can be better understood. Based on case studies done on the U.S. and Hong Kong, some observations about Canadian Diaspora can be made, including:

- Canada has a range of subsidized social programs that initially attracts immigrants;
- Dual nationality can be partially attributed to the rapid process through which immigrants gain Canadian citizenship, which in turn facilitates further mobility;
- The above two phenomena lead to a growing foreign-born Canadian diaspora;

- This suggests a need to reassess the relationship between integration, dual citizenship, and multiple passport possession.

Based on these observations, a number of policy options that aim to engage the Canadian Diaspora were debated. These include:

- Education: Canadian schools at the secondary level and higher should increase their recruitment of second-generation diaspora;
- Politics: Canada should make overseas voting easier and consider allowing designated Members of Parliament to represent overseas citizens in North America, Asia, Europe, and the rest of the world;
- Economics: Canada should encourage overseas Canadians to lobby government on behalf of Canadian commercial interests.

Foreign born and long-term overseas Canadians were also discussed, with attention paid to the long-term costs and benefits associated with this group. Some of the issues raised include:

- Trimming social and healthcare benefits
- Limiting multiple citizenships
- Applying an income tax to non-residents
- Adopting non-resident passport fees

The session concluded that any serious consideration of these policies must be based on a detailed understanding of the net social costs of non-residents, individually and collectively.

Other questions that were raised during the session include:

- What is the meaning of being a Canadian in terms of domicile or legal citizenship?
- If citizenship implies membership in a society, how can the state insure that overseas citizens fit in?
- Does an increasing number of people living outside Canada indicate an immigration policy failure?
- How do we balance possible taxation and non-representation?

Session 3: Consular Conundrums and Beyond: Canada's Services to its Overseas Citizens

This session focused on the provision of consular services to Canadians abroad, including long-term non-residents. Canada's consular service is designed to prepare Canadians for safe travel by providing them with credible and timely information and access to services abroad such as routine services (passport and citizenship), distress services (hospitalization, death, arrest, child abduction), and emergency services (natural/man-made disasters).

Eligibility for these services is determined by citizenship. Canadian citizens hold primary responsibility for their own safety and wellbeing — including where they choose to travel or stay. Moreover, the principles of consular service put the onus on the Canadian citizen to resolve his or her situation (be this through personal and/or informal means). Consular assistance is provided on the basis of fair and equitable treatment for all Canadians — noting that all practices must respect the laws and regulations of the host country.

The magnitude of consular services has increased significantly in recent years. The Government of Canada provided 9 million consular services in 2006, 1.4 million of which were delivered outside Canada, mainly in Europe and Asia/Oceania. One of the challenges presented by multiple

citizenship is the potential non-recognition of citizens' Canadian status, which effectively prohibits the provision of consular services to the affected individuals.

The question of providing differential access to consular services abroad was also debated during the session. It was argued that some residents abroad may be simply "foreigners holding Canadian passports" in that these individuals are citizens of convenience, have no loyalty to Canada, and have chosen to live in their native lands on a long-term basis, calling on consular services only in times of difficulty. In practice, there would be significant challenges (including charter rights) in implementing a regime of differential access to consular services.

The Government's policy on assisting Canadians in crisis situations, and in particular evacuations, is that consular services are provided on a cost recovery basis (although there are some exceptional cases, such as the 2006 Lebanon evacuation). A consular fee of \$25 — included in the cost of adult passports fees — is used to fund services provided to all Canadians in need. In 2006, consular fees collected as part of passport applications totalled \$75 million.

Session 4: Transnational Business, Cultural & Innovation Linkages

This session examined the transnational linkages of Canadians abroad, especially return migrants in Asia. There is a growing body of research, including projects supported by the Foundation, on the role of overseas Canadians in fostering business, education, and research/development partnerships across the Pacific. Diaspora-related research from other countries also points to the creation of business and technology linkages with home countries and the role transnational migration plays in fostering knowledge transfers.

It was noted during the session that while a strategy that engages overseas Canadians, especially return migrants, has the benefit of tapping into established business and social networks, it is generally difficult to identify, track, and maintain contact with Canadians abroad. Such an effort requires sustained political support and the administrative capacity to build and manage long-term overseas networks. A number of countries with large overseas communities (India, Singapore, Scotland, Ireland, and New Zealand have invested in such capacities).

Some Canadians who choose to live overseas are motivated by lower tax rates in their country of residence and have chosen to minimize their ties with Canada as a tax avoidance strategy. At the same time, many of these long-term overseas citizens have a deep knowledge of international business and could potentially be helpful in advancing Canadian economic interests.

Canadians overseas can also play a role in public or informal diplomacy, even though it is unclear how Ottawa can foster this role. There is a growing body of research on the role of Canadian immigrant communities (in Canada and abroad) contributing to peace and security as well as economic development initiatives in their native countries.

It was also suggested that younger Canadians are more globally oriented and that they could provide a strong impetus for future transnational business, culture, and innovation linkages. The younger generation may be more inclined to think globally, take advantage of overseas opportunities, and connect their Canadian interests with global aspirations. Additionally, many Canadians living overseas have children who have grown up with local language and cultural skills. How will they connect with Canada in adulthood, and what measures can be put in place to foster deep, rewarding, and lifelong connections?

Summary and Next Steps

The general theme of the Roundtable discussions focused on the need for public policies that could help contain or minimize national exposure to the unanticipated public costs implicated by the maintenance of the large Canadian-citizen diaspora abroad, while at the same time building on an under-exploited diaspora potential for contributing to the well-being of Canadians. In both cases, policy initiatives for rebalancing should take into account not just measurable direct financial impacts (access to health insurance, higher education, repatriation services, national pensions, etc.) but also the many less measurable factors of non-resident citizenship, including trade and investment opportunities, access to passports, national identity factors, the international image of Canadian citizenship, national security, etc.

Discussion participants agreed that the issue of Canadians overseas had wide-ranging policy implications and that the potential impact of overseas Canadians was likely to become more important over time, particularly as the overseas population expands and ages. While participants expressed interest in pursuing specific policy issues pertaining to particular government departments and agencies, there is no central agency that has comprehensive “ownership” of issues related to Canadians abroad. A major challenge in pursuing a policy research agenda on this topic, therefore, will be to bring together interests from across a range of government departments and organizations (including those at the provincial level, where education and health care benefits are pertinent), while also maintaining a holistic view of Canadians abroad and their long-term significance to the country. Another challenge is the need to connect the issue of Canadians abroad with immediate government priorities, especially where economic issues such as international competitiveness, innovation, and productivity are concerned.

As a follow up to the workshop, the Asia Pacific Foundation of Canada will consult with government departments, private sector organizations, and funding agencies on strategies and options for a comprehensive study on Canadians abroad — one that is both forward looking and policy focused.

For more information, please contact Kenny.zhang@asiapacific.ca; Tel. 604-630-1527

Annex A: Roundtable Program

Policy Roundtable on Canadians Abroad

Date and time: June 29th, 2007, 8:30am — 4:00pm

Venue: University of Ottawa

Address: 145 Jean-Jacques Lussier, Lamoureux Hall, Room 243, Ottawa

Moderator: Yuen Pau Woo, President and Co-CEO of APF Canada

- 8:30am – 9:00am Registration and continental breakfast
- 9:00am – 9:15am Welcoming Remarks: **Yuen Pau Woo**, APF Canada
- 9:15am – 10:30am Session 1: Scale, Location and Characteristics of Canadians Abroad
- ◆ Presenter: **Margaret Michalowski**, Statistics Canada
 - ◆ Presenter: **Kenny Zhang**, APF Canada
 - ◆ Discussant: **Meyer Burstein**, International Policy Consultant
- 10:30am – 10:45am Health Break
- 10:45am –
12:00noon Session 2: Passports and Solo-, Dual-, or Shared-Citizenship
- ◆ Presenter: **Don DeVoretz**, Simon Fraser University
 - ◆ Discussant: **John Chant**, Simon Fraser University
- 12:00noon – 1:00pm Networking Lunch
- 1:00pm – 2:15pm Session 3: Consular Conundrums and Beyond: Canada's Services to its Overseas Citizens
- ◆ Presenter: **Helen Harris**, DFAIT
 - ◆ Discussant: **Robin Higham**, University of Ottawa
- 2:15pm – 2:30pm Health Break
- 2:30pm – 3:45pm Session 4: Transnational Business, Cultural & Innovation Linkages
- ◆ Presenter: **David Zweig**, Hong Kong University of Science and Technology
 - ◆ Discussant: **Patrick Johnston**, Walter and Duncan Gordon Foundation
- 3:45pm – 4:00pm Wrap up discussion: Implications for Policy & Research Agenda
- ◆ Moderator: **Yuen Pau Woo**, APF Canada
- 4:00pm Roundtable Adjourned

Acknowledgements:

The Asia Pacific Foundation of Canada would like to thank the Emerging Dynamic Global Economies (**EDGE**) Network at the University of Ottawa for its generous assistance in organizing this roundtable. For more information on **EDGE**, please visit www.edgenetwork.ca.

Annex B: List of Participants

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| 1. | Alidad Mafinezam Director of Research, The Mosaic Institute |
| 2. | Cathy Winters Policy Analyst Health Canada, Policy Priorities and Analysis Division |
| 3. | Cindy Termorshuizen Analyst Privy Council Office, Foreign and Defence Policy Secretariat |
| 4. | David Zweig Chair Professor, Division of Social Science; Director, Center on China's Transnational Relations (www.cctr.ust.hk), HKUST; Associate Dean, School of Humanities and Social Sciences, HKUST |
| 5. | Don DeVoretz Professor of Economics Simon Fraser University |
| 6. | Elizabeth Ruddick Director General Citizenship and Immigration Canada, Research and Evaluation Branch |
| 7. | Helen Harris Director, Program Development Foreign Affairs and International Trade Canada, Consular Affairs Bureau |
| 8. | Howard Duncan Executive Head Metropolis, Citizenship and Immigration Canada |
| 9. | Howard Lin Professor & Director, International Research Institute Ted Rogers School of Management, Ryerson University |
| 10. | Jean Kunz Associate Project Director Policy Research Initiative |
| 11. | John Chant Professor Emeritus, Department of Economics Simon Fraser University |
| 12. | Joseph Galimberti Director Government and Community Relations, Air Canada |
| 13. | Karen Mosher Director General Citizenship and Immigration Canada, Citizenship Branch |
| 14. | Kenny Zhang Senior Research Analyst Asia Pacific Foundation of Canada |
| 15. | Margaret Michalowski Chief, Population and Dwelling Certification Census Subject Matter Program, Statistics Canada |
| 16. | Marie-Elisabeth Lebrun Policy and Knowledge Development Citizenship and Immigration Canada, Citizenship Branch |
| 17. | Mark Davidson Director, Citizenship Policy Citizenship and Immigration Canada, Citizenship Branch |

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| 18. | Meyer Burstein International Policy Consultant |
| 19. | Nicole Senécal Senior Associate Holdsworth & Associates |
| 20. | Patrick Johnston President & CEO Walter and Duncan Gordon Foundation |
| 21. | Robert Latham Director York Centre for International and Security Studies, York University |
| 22. | Robin Higham Senior Fellow School of Public and International Affairs, University of Ottawa |
| 23. | Siobhan Harty Senior Policy Analyst Privy Council Office, Priorities and Planning |
| 24. | Tung Chan CEO S.U.C.C.E.S.S. |
| 25. | Wenhong Chen Research Associate NetLab, Center for Urban and Community Studies, University of Toronto |
| 26. | Yuen Pau Woo President and co-CEO Asia Pacific Foundation of Canada |