

Mobility: immigration alert

April 2022

Canada

Budget 2022 and the updated immigration imperative

Executive summary

Canada's immigration system over the years has prided itself on predictability and transparency. Due to COVID-19 and various other global crises, at the time of writing the following is true:

- ▶ It is taking the Canadian immigration department 9 weeks to process a work permit application for an applicant residing in South Africa. It is taking 40 weeks to process a work permit application for an applicant residing in the United Arab Emirates, and it is taking 54 weeks to process a work permit application for an applicant residing in India.
- ▶ The last time a candidate was invited to apply for permanent residence through the Express Entry system under the Canadian Experience Class was on September 13, 2021. The last time a candidate was invited under the Federal Skilled Worker Class was in December 2020. The last time a candidate was invited under the Federal Skilled Trades Class was in June 2020.
- ▶ It is taking 27 months to obtain Canadian citizenship once an application has been submitted. It is taking 17 months to obtain proof of Canadian citizenship (and even longer if an applicant is outside Canada).

These are just a few of the processing issues and delays that plague the Canadian immigration system today. Before the pandemic, immigration was seen as a critical driver of economic growth and an important tool to address demographic challenges of an aging population.

This has not changed in the post-pandemic era, as labor shortages persist and the fast pace of baby boomers leaving the workforce will remain for at least another decade.

Budget 2022 highlights

In response to these issues, and as a critical part its post-pandemic economic recovery strategy, the Government of Canada will be investing billions of dollars over several years into its renewed immigration strategy. This includes funding its ambitious 2022-24 Immigration Levels Plan that will welcome an annual target of up to 451,000 new permanent residents by 2024. In addition, Budget 2022's commitments to immigration strategy include:

- ▶ \$2.1 billion over five years, above the \$317.6 million in ongoing funding, to support the processing and settlement of new permanent residents.
- ▶ \$385.7 million over five years, above the ongoing \$86.5 million, to facilitate the timely and efficient entry of what is anticipated to be a growing number of visitors, students, and workers, as travel restrictions are lifted. This comes alongside an investment of \$1 billion to revitalize the tourism sector.
- ▶ \$187.3 million over five years, above the ongoing \$37.2 million, to improve IRCC's capacity to respond to enquiries and to invest in technology and tools to improve service delivery.
- ▶ \$1.3 billion over five years, above the ongoing \$331.2 million, to support Canada's asylum system, including requiring the electronic submission of claims to modernize and streamline the process and reduce wait times.



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- ▶ \$115 million over five years, above the ongoing \$30 million, to expand the Foreign Credential Recognition Program particularly for foreign-trained health care workers to reduce barriers to finding work in their field.
- ▶ \$29.3 million over three years to introduce a Trusted Employer Model under the Temporary Foreign Worker Program (“TFWP”), to reduce some of the administrative processes for repeat employers who meet the highest employment standards.
- ▶ \$48.2 million over three years, with \$2.8 million remaining in amortization, to implement a new foreign worker labor program for the agriculture and fish processing industries.
- ▶ \$64.6 million over three years to process employer applications under the TFWP meet established service standards.
- ▶ \$14.6 million, with \$3 million remaining in amortization, to improve the quality of employer inspections and enforcement.

Budget 2022 also announced notable initiatives that will have immigration implications, notwithstanding that they are not direct investments into the immigration program. These include the following:

- ▶ \$1 billion over five years for a new innovation and investment agency that “will proactively work with new and established Canadian industries and businesses to help them make the investments they need to innovate, grow, create jobs, and be competitive in the changing global economy.”
- ▶ \$750 million over six years to support the further growth and development of Canada’s Global Innovation Clusters.
- ▶ \$38.3 million over four years starting in 2023-24, along with an ongoing \$12.7 million for federal granting councils to add 12 to 25 internationally recruited Canada Excellence Research Chairs in the fields of science, technology, engineering, and mathematics.

Also noteworthy in Budget 2022 is the announcement of \$3.8 billion over eight years towards the implementation of Canada’s first Critical Minerals Strategy. Pre-pandemic, Natural Resources Canada cited a report that projected hiring requirements for the mining industry over the next 10 years at 49,000 to 135,000 workers, mostly due to worker retirement. During the pandemic, projections of hiring requirements over the next 5 years ranged from 29,720 to 47,610 workers. But with the renewed focus on mining through the Critical Minerals Strategy, new projections will likely return to pre-pandemic numbers, if not exceed those pre-pandemic numbers. Regardless, underlying these numbers is a need for more workers, including foreign workers. For that reason, the success of this new strategy may require a comprehensive review of the mining industry’s employment needs and current immigration programs - from temporary to permanent residence - that those in the mining industry already rely upon to fill labor gaps.

Overall, Budget 2022 promises significant investments towards Canada’s immigration agenda. All signs point to government reducing processing times by increasing capacity and developing new tools and technology, reducing barriers in foreign credential recognition, and improving client service delivery. A trusted employer program also promises to narrow the time between recruitment and deployment of foreign workers, particularly for certain Canadian employers who frequently use the Temporary Foreign Worker Program. Moreover, additional investments in priority sectors, such as critical minerals development, highlights the need for a more efficient immigration system, but also to have an effective and agile immigration program to address human resourcing needs across the country. The significant investments acknowledge the imperative for a revitalized immigration system that will allow Canada to continue to keep its humanitarian commitments, to reunite families, and play a critical part in supporting Canada’s post-pandemic economic growth and in addressing the challenges of an aging workforce.

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