Introduction

Canada’s 2017 Federal Budget, entitled “Building a Strong Middle Class” was tabled in the House of Commons by the Honourable William Francis Morneau, P.C., M.P. Minister of Finance on March 22, 2017. The budget outlines various changes that support increased recognition of foreign credentials, plans to attract global talent, programs to facilitate the entry of foreign workers to Canada, streamlined immigration processes, and initiatives for asylum seekers. It indirectly provides changes for vulnerable groups such as immigrants, and addresses these through a lens that recognizes gender differences. In this budget, the Federal Government is implicitly laying out its intentions to capitalize upon the uncertainty in countries such as the United States and the United Kingdom by attracting high quality and specialized workers, scientists, and academics. This strategy is line with the Immigration Levels Plan announced on October 31st, 2016 that set a new 300,000 threshold of immigrants for 2017 and subsequent years. This target has been outlined as a means to drive economic growth for the country and respond to Canada's aging population through placing an emphasis on targeting economic immigrants. Leaders believe that Canada has high potential to persuade talented minds from these countries that will enable Canada to greatly develop technological, environmental, and other scientific sectors.

Global Talent

It is evident that many of the changes outlined in the federal budget are targeted towards attracting high quality foreign workers, with Economic Development Minister Navdeep Bains reiterating commitments to making Canada a destination for specialized talent. Bains has outlined the belief that Canada has much to offer to specialized workers, scientists and academics who might consider moving from other parts of the world.

It can be discerned that an area of emphasis in the budget is that of attracting concerned scientists and academics in countries such as the United States and United Kingdom. This follows Trump’s commitment to reduce or eliminate research funding in areas such as climate science and
renewable energy. Similarly, in the United Kingdom, many academics are concerned over Brexit’s impact on research.

The budget has appropriately responded to these concerns with $117.6 million Canada 150 grant over eight years for 25 international scholar research chairs with the goal of attracting “top-tier international scholars.” While this is less funding per scholar than is available for the existing Canada Excellence Research Chairs, it is suggested that it will be more flexible in its selection process to enable universities to quickly recruit and make use of opportunities as they arise. In addition, the budget has also included funding for science promotion and $2 million each year for a Chief Science Advisor, which will ensure government researchers may speak openly. These changes are very likely to attract a great deal of strong academic talent to universities in Alberta as Canada becomes an increasingly attractive destination for diversity and talent from abroad.

The budget has also outlined a commitment of $125 million to a new artificial intelligence initiative that aims to recruit and retain world experts. The goal is to leverage Canada’s already established experience in artificial intelligence to make it a world leader in this area, as well as making use of its great economic potential. It is hoped that initiatives such as this will retain and attract some of Canada’s top talent, as well attracting international experts that would have otherwise been lured to Silicon Valley. The University of Alberta may especially benefit from this commitment as they are already ranked as one of Canada’s top players for AI and “deep learning.” Almost 30% of all graduate students are international, and with these changes it may be expected that foreign students considering studying in Canada will increase.

These changes to attract global talent will be underpinned by $218 million over five years for Global Affairs Canada’s Invest in Canada Hub which was announced in the Fall Economic Statement. This hub will allow foreign investors to deal with Canada’s federal, provincial, territorial, and municipal governments through one agency. Again, it is anticipated that situations such as those in the US and the UK will provide an economic opportunity for Canada to expand its trade relationships and bring greater foreign investment. Alberta may greatly benefit from a streamlined process for foreign investors due to its large and established energy sector. Foreign direct investment (FDI) in Canada’s natural resource sectors was valued at $271 billion in 2014, representing 37 per cent of total FDI, with close to $200 billion of this in the energy sector. These changes represent a

---

1 One reduction includes a $6 billion (USD) cut through “efficiencies” targeting the National Institutes of Health, a spearhead of medical research in the United States.
2 A reported 42 per cent of academics in the UK are considering leaving the country over a concerns of a less welcoming environment and the expected loss of research money that was previously provided by the European Union.
great opportunity for Alberta to increase foreign investment and attract foreign workers to support its energy sector.

Economic Development Minister Navdeep Bains believes that the “Global Skills Strategy” will have the biggest impact on innovation in Canada. This strategy aims to allow Canada to access skills and expertise of workers around the world to enable Canadian firms to succeed in the global marketplace. This will be done through setting an ambitious two-week standard for processing visas and work permits for low-risk, high-skill talent for businesses operating in Canada. Employment and Social Development Canada (ESDC) will be provided $7.8 million over two years starting in 2017-18 to implement this new Global Talent Stream under the Temporary Foreign Worker Program. This will be to implement ESDC’s Labour Market Benefit Plan on a pilot basis, and is in line with their expectations.

Additionally, a new Short Duration Work Permit Exemption for work periods under 30 days per year or for brief academic stays will be introduced. This will be used to facilitate short-term, inter-company work exchanges, and academic exchanges. It is hoped that by providing access to international talent through this Short Duration Work Permit Exemption will promote growth and investment in Canada and contribute to its economy.15

It must also be noted that these proposed changes to attract and retain global talent are in line with the Government’s new threshold of 300,000 newcomers that announced on October 20th in their Immigration Levels Plan. As part of the 2017 Immigration Levels Plan, economic program immigrants are expected to increase from the 2016 target of 160,600 to 172,500.16 There is a particular emphasis on the Federal Skilled Worker, Federal Skilled Trades and Canadian Experience classes, with an increase of almost 23%. This emphasis on economic immigration aims to support Canada’s long-term economic goals, through bringing in highly-skilled and trained immigrants.17 Through placing a focus on increased economic immigration, this may stimulate growth in Alberta’s economy and alleviate the effects of the economic downturn that the province is currently experiencing.

Boosting and focusing on economic immigration is also a major recommendation by the federal Advisory Council on Economic Growth to respond to the demographic challenge of a greater dependency ratio caused by an aging population.18 As of 2011, there were about 410,000 seniors in Alberta, but by 2031, it is projected that there will be more than 923,000 seniors; representing one in five Albertans.19 Canada’s labour supply growth will be limited, resulting in economic growth slowing from 2% to around 1.6% by 2050. An aging population will also put a major strain on health care and Canada’s retirement incoming support system – with provinces already struggling with large deficits, this additional burden would be unsustainable.20 The budget reinforces the Government’s commitment in their Immigration Levels Plan to focus on
economic immigration to achieve their long-term economic goals and respond to Canada’s aging population.

**Temporary Foreign Workers and Live-in Caregivers**

Regarding Temporary Foreign Workers (TFWs), the budget, starting in 2017-18, commits $279.8 million over five years for the Temporary Foreign Worker Program (TFWP) and International Mobility Programs (IMP). The funding for the IMP is for one year only, while $49.8 million each year is reserved for the TFWP continually. These two programs are integral to facilitating the entry of foreign workers to Canada. The TFWP is used to fill specific labour shortages in the economy that are not being met by the local Canadian and Permanent Resident population. This has been an issue for Alberta in the past as businesses have often struggled to fill ongoing labour shortages in low/semi-skilled industries. The IMP aims to improve Canada’s economic and cultural interests, with IMP categories including workers under the North American Free Trade Agreement (NAFTA), Intra-Company Transfers, and open permits, such as those under the International Experience Canada (IEC) program, or for the spouses/common-law partners of workers and international students.

The budget has also reiterated their response in December to the Parliamentary Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities (HUMA) report submitted in September, which recommended several changes to the TFWP. The HUMA report had suggested changes to processing methods, transition plans, monitoring, and pathways to permanent residence. Some of these recommendations were implemented in their response in December, such as pathways to permanent residence for TFWs, stronger recruitment requirements for low wage workers, and the removal of the cumulative duration or “four in, four out” rule that was in place. The removal of the four-year limit rule is welcomed, as often it forced TFWs to leave Canada before they were able to achieve permanent resident status. This change is pertinent to provincial programs such as the Alberta Immigrant Nominee Program (AINP).

**TFWs often use provincial pathways to permanent residence, such as the AINP, due to the increasingly stringent requirements in federal pathways.** It has received great criticism due to the vulnerable position that nominees are placed in throughout the process. If a nominee becomes unemployed during their application process they will be required to start the expensive and lengthy process again, creating an unequal power relationship that favours the employer. Oftentimes this has resulted in employer exploitation, with reported cases of uncompensated work or inadequate pay in exchange for an employer’s potential nomination.

---

4 This rule meant that foreign workers who had failed to gain permanent resident status after four years were ordered to leave the country.
Changes in the cumulative duration rule will help reduce this unequal power dynamic, but it is likely that the effect will be minimal. Critics hoped that greater and more specific reforms would be announced in this budget, especially regarding pathways to permanent residence for TFWs. However, the budget does not specify how these pathways would look, and many issues such as those detailed above, remain.

The budget has committed $24.5 million over five years and $4.9 million ongoing to eliminate the Labour Market Impact Assessment fee for families hoping to hire foreign caregivers for individuals with high medical needs, as well for childcare for families’ whose income is less than $150,000. Although this is a positive change, the live-in caregiver program has seen a decrease from 30,000 in 2015 to 22,000 in 2016, and it is being reduced further to 18,000 in 2017. In recent years, caregivers faced more than four years for residency applications to be processed, and so the removal of the four-year limit rule will help alleviate this issue. Despite a waiver on the fee, critics are raising concerns that there is little in the budget to address these backlogs in the refugee and immigration processing system, and there is little justification for the continual decrease in the number of caregivers allowed.

Processing and Permanent Residence

In terms of pathways to permanent residence, the budget proposes amendments to the Immigration and Refugee Protection (IRPA) to flexibly adjust Express Entry so that it is responsive to the needs of the Canadian labour market, as well as committing more efforts into reducing barriers for high-skilled employment opportunities through the Targeted Employment Strategy for Newcomers. The budget proposes $27.5 million over a period of five years, starting in 2017-18, with a commitment of $5.5 million a year thereafter from existing funds for ESDC for the Targeted Employment Strategy for Newcomers. This strategy is comprised of three main components:

1) Improving pre-arrival supports and information so that the foreign credential recognition process can begin before newcomers planning to work in regulated occupations arrive in Canada.

2) A commitment of $7 million annually to ensure that the Foreign Credential Recognition (FCR) Loans Initiative is permanent. This program was originally conceived as a pilot during the Conservative government in 2011, with data showing that these loans assisted with the

---

iv A LMIA is a document that an employer in Canada is often required to complete to show that there is a need for a foreign worker to fill the job and that no Canadian is available to fill this role.

v The live-in caregiver program is mostly used by immigrant women from the Philippines, Peru, and Indonesia, to gain permanent residency.
costs of foreign credential recognition, leading to a 47 percent increase in full-time employment and easing reliance on government assistance.\textsuperscript{31}

3) Targeted measures to test innovative approaches to help skilled newcomers gain Canadian work experience. To support this the Government has committed $1 million for Employment Experience Pilots.

The proposed changes to the IRPA are expected to make sure that candidates who are more likely to succeed economically in Canada are the ones selected for permanent residence. In Alberta, foreign credential recognition has been identified as a large barrier for refugees, as an estimated 80% of them previously worked in trades in their home country, but are unable obtain similar jobs once they have arrived.\textsuperscript{32} It is expected that these changes will facilitate improved foreign credential recognition for newcomers to Canada, supporting their full participation and contribution to Canada’s economy. This will enable many newcomers to use their internationally gained qualifications, improving their employment outcomes, earnings, and job satisfaction.\textsuperscript{33}

**Asylum Seekers**

The Government has outlined several changes that they hope will address some concerns with respect to asylum seekers. The budget commits $29 million over five years, starting in 2017-18, with $5.8 million per year ongoing to ensure the Reviews and Interventions Pilot Project is permanent. This project was launched in 2012 to conduct reviews and interventions of in-Canada claims by Immigration, Refugees and Citizenship Canada (IRCC) in cases where the concerns over the integrity and credibility of the information provided were raised.\textsuperscript{34}\textsuperscript{vi}

The budget also aims to provide better legal aid services for asylum seekers. $62.9 million will be provided over five years, starting in 2017-18, and $11.5 million per year thereafter in partnership with provinces and territories to improve the delivery and provision of immigration and refugee legal aid services. It is hoped that these services will assist asylum seekers to establish a valid claim, and support the completion of fair and timely decisions. Although this positive addition will help IRCC deal with asylum claims, pleas for additional funding to tackle rising backlogs of refugee claims have not been addressed. The number of refugees who have arrived in Canada has increased by 48% to 5,520 in January and February 2017 compared to last year,\textsuperscript{35} and includes 2,145 who crossed the border from the US.\textsuperscript{36} It is expected that Alberta could soon start receiving asylum seekers from the US in the months ahead, and with no additional funding from the government to

\textsuperscript{vi} During a 2015 evaluation, issues such as coordination between two governmental departments were raised, but it was concluded that the project is necessary to maintain the credibility and integrity of the asylum system, and protect it from fraudulent claims.
address rising asylum seeker numbers at the border, this may be an increasingly difficult situation to deal with.

The budget also recognizes the violence experienced by the Yazidi peoples in northern Iraq and Syria at the hands of Daesh, particularly women and girls. In response to this situation, the Government announced on February 21, 2017 that it would provide protection to this vulnerable group through resettling 1,200 of them in Canada. This initiative will be given $27.7 million over three years, starting in 2017-18 to provide appropriate settlement supports. It is anticipated that Alberta will receive a number of these Yazidi refugees, with a portion of this funding being directed towards settlement agencies. The budget highlights its achievements in resettling more than 40,000 Syrian refugees as of January 2017, but does not provide further details on funding for their support moving forward.

Gender

The budget uniquely addresses issues of gender throughout the document. Firstly, it identifies that certain groups of women face challenges in terms of educational attainment and labour market outcomes, and are more likely than men to experience poverty, violence, and harassment. Further, while immigrant women have comparable education levels to Canadian-born women, they have lower levels of participation in the labour market and higher unemployment rates. Reasons cited include language barriers, literacy challenges, foreign credential recognition, and limited Canadian work experience. The budget makes a “renewed commitment” to increasing workforce participation of underrepresented groups through a $2.7 billion training funding boost. The budget states that new programs need to respond to more diverse needs, with increased efforts for groups such as immigrant women. Emphasis is placed upon increasing areas they are severely underrepresented, such as Science, Technology, Engineering, and Mathematics (STEM) where women constitute 30% of students and professionals.

In addition to this, the budget describes how Canada falls behind many other countries in the affordability and availability of regulated childcare services. Childcare services are vital to increasing the integration and participation of immigrant women in Canadian society. Without the provision of these services, the ability of immigrant women to attend orientation, language, and employment classes are impacted, affecting their ability to integrate into Canadian society. The budget details how $7 billion of the $81 billion infrastructure package will be used for early learning and childcare, with provinces and territories having jurisdiction over how this funding is used. It is conceivable that the provision of these funds for childcare will improve immigrant women’s attendance of orientation, language, and employment programming. As Alberta will have jurisdiction over the implementation of the childcare funding, it means that the services provided can appropriately respond to local needs.
Technology
Following the example of initiatives in the US (US Digital Service/18F) and the United Kingdom (Government Digital Service), the Government aims to improve use of digital technologies to better serve Canadians. The budget describes the ways in which these technologies can improve the ways in which businesses can access government services, make it easier for Canadians to access benefits and tax information online, and to accelerate immigration processing times through better integrated information. Through this initiative it is hoped that Government services, as they relate to immigration, will be improved and streamlined to better serve newcomers. This may be achieved through reducing the complexity of online immigration processes, and improving the accessibility of public resources.

Further, the budget sets out plans to ensure high-speed Internet for all Canadians, and may include investments to make Internet access more affordable for low-income families, such as recent immigrants. These plans may work towards alleviating significant disparities of internet usage between Albertan urban and rural areas. The budget anticipates that this plan will expand opportunities in social connections and access to health care services. Social connections are integral in the settlement process as they are directly related to newcomer success in their local community. It is also often newcomers, especially refugees, who have the greatest health needs among the Canadian population. Additionally, with the growing number of newcomers that require services from settlement organizations, settlement information and class provision are increasingly provided online. **Increased Internet provision will assist newcomers in accessing these critically needed services to support their settlement and integration.**

Employment and Housing
The budget has detailed several other changes that may indirectly influence the settlement and integration of newcomers. The Government aims to improve income security and “help families make ends meet.” The budget identifies that recent immigrants have the third highest risk of unemployment or poverty, and have the fourth lowest income rates. It is hoped that vulnerable groups such as these can be supported through making Employment Insurance (EI) regular benefits easier to access for 50,000 individuals newly entering or re-entering the labour market, such as recent immigrants, and extending EI work-sharing benefits to 33,000 employees.

An “Inclusive National Housing Strategy” has also been introduced, which will invest more than $11.2 billion over 11 years in initiatives that will help ensure that Canadians have adequate and affordable housing that meets their needs. While much of this information is not new, as it was laid out in the Fall economic update and in Budget 2016, it does provide more details on its specifics. These are positive change for newcomers as they face a myriad of challenges in finding appropriate housing that meets their needs. Due to their low-income rates and the additional cost of settlement,
affordable housing is a critical need for them. Refugees face the most difficult housing circumstances. In Alberta, many Syrian refugees have faced a persistent problem of finding affordable housing that can accommodate their large family size. A new National Housing Fund, with about $5 billion over the 11 years, will increase lending for the construction of new rental housing, provide temporary funding to social housing providers, and help these providers transition to a more efficient and financially stable model. This investment may support the development of affordable housing that meets the needs of many refugee families in Alberta.

In addition to investments in affordable housing, $2.1 billion is allocated through the Homelessness Partnering Strategy with the aim of reducing homelessness. It is estimated that newcomers, especially newcomer youth, are particularly over-represented within the homeless population due to their precarious and vulnerable position. Investments in this strategy are expected to reduce homelessness and will support the Alberta Government’s current initiatives on addressing this issue in the province. Further, the Federal Government plans to invest in, improve and encourage research and data collection on housing and homelessness. $214 million will be provided to CMHC to improve data collection and analytics, and $39.9 million over five years, and $6.6 million per year afterwards, will be given to Statistics Canada for a new Housing Statistics Framework. Increased funding in research on housing and homelessness will further current knowledge and inform policy decisions on this issue that disproportionately affects newcomers.

Conclusion

The 2017 Federal budget has outlined a variety of changes that support the outcomes of newcomers to Canada. Initiatives have been outlined that will support the attraction of high quality talent from countries such as the United States, United Kingdom, and others that are facing uncertainty in their scientific and academic sectors. The budget also reinforces the Government’s commitment in their Immigration Levels Plan to focus on economic immigration to achieve their long-term economic goals and respond to Canada’s aging population. Although changes have been outlined for the TFWP in response to its review, they are similar to those already outlined in their December statement. Steps are being made to facilitate foreign workers entering the Canadian labour force through improved pre-arrival services and supports for foreign credential recognition. Asylum seekers will be supported through increased funding for legal aid services, but there were no details on funding to address the increasing number of asylum seekers crossing the border from the US. Through its gender statement, the budget identifies that immigrant women are a highly vulnerable group, and addresses this issue through funding for female targeted programs, and the increased provision of childcare services. Technology and its use are also discussed and the benefit that improvements can make for immigration processes and information for newcomers. Lastly, it is likely that changes in areas such as Employment Insurance and initiatives for affordable housing
will indirectly have a positive impact on newcomers in Canada as they are some of the lowest income groups and face distinct barriers in entering the labour market. There are a significant number of initiatives that will impact immigrants and the settlement sector, but how these funds will be used and distributed is currently uncertain.
Bibliography


End Notes

6 Ibid.
7 Ibid.
8 Blatchford, “Federal budget 2017: Trudeau minister hopes to woo foreign brains.”
16 "Key Highlights 2017 Immigration Levels Plan,"
18 Zilio and Curry, “Liberals to hold immigration level steady in 2017.”
20 Ibid.
23 Alberta Association of Immigrant Serving Agencies, “Alberta Immigrant Nominee Program Environmental Scan.”
24 Ibid.
26 Alberta Association of Immigrant Serving Agencies, “Alberta Immigrant Nominee Program Environmental Scan.”


Alberta Association of Immigrant Serving Agencies, “Alberta Immigrant Nominee Program Environmental Scan.”

CIC News, “Federal Budget Provides Additional Funding for Foreign Worker Programs.”


Ibid.


Keung, N., “Refugee board’s plea for assistance with growing backlog ignored.”

Ibid.


Alberta Association of Immigrant Serving Agencies, Alberta Settlement and Integration Two-Day Participatory Event Report. 
