

Making Immigration Work for Newcomers and Canada

Canada has greatly benefited from immigration. It's strengthened the economy, enriched our cultural identify, and helped to establish Canada as a global leader.

But in recent years, immigration has become problematic in Canada. A large influx of newcomers has strained housing and job markets and even public services like K-12 education. At the same time, the federal government has shifted its focus from selecting immigrants that bring value to the Canadian economy longer-term, to those who fill labour shortages and meet other policy goals.

The result? Across the country, tensions have grown and support for immigration has collapsed.

Immigration levels have since been cut to bring inflows more in line with Canada's ability to integrate newcomers successfully. But that is not enough to generate economic growth.

We need a system that is not only stable and predictable but that attracts and recruits the very best. Specifically, to fix immigration, Canada must do the following:

- Reform how economic immigrants are selected
- Be the best to attract the best
- Streamline the immigration process
- Recruit top talent
- Give new Canadians the tools to succeed
- Make sure newcomers can utilize their skills
- Increase the role of the provinces in immigration

Reform how economic immigrants are selected

One of the most important things Canada can do to improve immigration is to focus on immigrants who bring the most value to the Canadian economy.

In the 1960s, Canada introduced a “points system” for economic immigrants called the Comprehensive Ranking System (CRS). Applicants would get points for things like education and work experience. And then the top scoring individuals were invited to apply. It wasn’t perfect, but it was objective, predictable and fair and worked very well for Canada for decades.

But in recent years, the country has moved away from the points system and finding the most valuable people for the Canadian economy. Instead, it has turned to low-skilled immigrants and meeting other political objectives. It’s introduced new criteria in the selection process—such as whether an applicant speaks French or works in a designated occupation—as well as several new, niche streams for immigration. Both approaches result in selecting lower-scoring applicants.

We need to get back to selecting the best for Canada. That means reforming the points system to use measures that are proven predictors of success, cutting back on the endless number of streams, and doing the things we already know work.

Recommendations:

- Report annually on specific, known measures of immigrant success (such as wages relative to the Canadian population) to track the success of economic immigration and ensure it is driving economic growth.
- Limit the number of economic immigration streams and pathways to make the process simpler for skilled newcomers and to focus on the primary goal of economic immigration: raising living standards for all Canadians.
- Report economic principal applicants separately from spouses and dependents to avoid overstating the role of economic immigrants in Canada’s immigration plan.
- Incorporate points for current employment earnings (which is the [best known predictor](#) of economic success) into the CRS.
- Remove factors within the CRS that do not predict strong economic outcomes. This includes factors that award “Additional Points” (i.e., those beyond the core human capital and transferability factors) if they do not contribute to strong economic outcomes.
- Determine the best way to award points for the skills that are most highly valued and in demand within the CRS (e.g., field of study, program of education).
- Set the minimum selection criteria at a CRS score that predicts strong economic outcomes such as long-term earnings above the national median.
- Introduce an annual forum of industry and experts on the Canadian labour market to build an understanding of how the labour market and immigration needs are changing.
- Avoid creating a [new stream of economic immigration](#) that would target low-skilled temporary residents and divert Canada’s focus away from highly skilled economic immigrants.

Be the best to attract the best

To attract the very best, Canada must be a place where people want to come and choose to stay.

Currently, that isn't always the case. In a recent survey of immigrants who arrived in Canada in the last 10 years, only 67% reported that they would choose to immigrate to Canada if they had to make the decision over again. In fact, immigrants who bring the most value to the Canadian economy—entrepreneurs, investors, and those with university degrees—are actually the [most likely to leave](#).

Why? Because they see more opportunity elsewhere.

Losing talent to other countries isn't a new concern, but it's likely to get worse. Wages are struggling to keep up with the cost of groceries; unemployment is rising; and housing has grown even further out of reach. As the country's [productivity gap](#) with the rest of the world widens, other countries will be able to offer better opportunity and higher wages—luring the most talented immigrants.

What this means is that to get the most out of immigration, Canada needs a strong economy to begin with. And right now, it does not. While there is much work to be done to build a stronger economy (covered across all sections of this work), Canada needs a strategy for immigration that doesn't lose sight of what attracts immigrants to Canada in the first place.

Recommendations:

- Establish a permanent Council on Canadian Living Standards to provide independent advice to government on long-term economic growth and opportunities for Canadians. This should include examining how immigration strategies can support these objectives.
- Report on a measure of Canadian living standards (e.g., per capita GDP) in all budget documents and include this in economic outlook scenarios to provide transparency to Canadians on the economic trajectory of the nation.
- In the Annual Report to Parliament on Immigration, include “Metrics of Attractiveness” that assess Canada’s quality of life and economic performance, such as per capita GDP, labour productivity, average hourly wages, and the OECD’s [Indicators of Talent Attractiveness](#).
- Maintain stable and predictable immigration levels year to year that are in line with the country’s absorptive capacity to support housing affordability, health care access, and to minimize disruptions to the labour market that could have negative consequences on all Canadians, both established and newcomers.

Streamline the immigration process

To attract the best, the immigration process must be simple, clear, and fast.

Unfortunately, most who have been through the process would not describe it that way. Instead, it is often confusing and frustrating, with lengthy processing times, clunky user platforms, and poor communication along the way.

For many, this confusion begins long before an application is even started. Canada has dozens of immigration streams and sub-streams. They change constantly and the number of them keeps growing.

It's not hard to imagine that the process is convoluted enough that it gets in the way of skilled individuals immigrating to Canada.

But you don't have to imagine it. Research from the [OECD](#) proves this is true: slow processing times and a complicated system make Canada less attractive to skilled immigrants who have many options of where to immigrate.

Canada urgently needs a more streamlined and user-friendly process. A process where applicants don't lose time or money navigating the bureaucracy or wondering if they fit the criteria Canada is looking for. This will build Canada's reputation as the top destination for skilled immigrants.

Recommendations:

- Set firm deadlines to address both the immediate [backlog of applications](#), as well as to fix errors and bugs in the application process.
- Apply new technologies used in [other immigration streams](#) to automate and expedite application processing of skilled immigration.
- Offer a paid option for expedited processing (as is done in [other countries](#)) and utilize this revenue to further enhance the efficiency of the system.
- Minimize the number of programs from which economic immigrants must select, similar to the Express Entry process, where individuals apply and IRCC categorizes and processes accordingly.
- Redesign IRCC's [informational webpages](#) to be simple, easy to navigate, and user-friendly. The site should serve as an informative and engaging tool that excites prospective Candidates about the opportunities in Canada.
- Add navigational tools to IRCC's informational webpage to guide users to the immigration streams and programs most relevant to them, as is done in [New Zealand](#) and the [United Kingdom](#).
- Allow individuals to track their application status directly in their primary applicant account and portal, eliminating the need to create a separate account.
- Work towards developing a seamless, clear, and user-friendly application process that positions Canada as a global leader in immigration.

Recruit top talent

Currently, Canada limits itself by selecting candidates from a pool of applicants already interested in coming here, even if those candidates don't necessarily match with who Canada needs to grow its economy.

With competition from other countries heating up, a real concern for Canada is not just growing its pool of strong applicants but preventing its decline. Other countries have begun to take a more proactive approach to immigration. For instance, [Finland](#) and [Australia](#) are working with industries and businesses to recruit top talent; fast-track applications; and signal to the world the skills they are looking for.

Right now, Canada doesn't even know who it's missing. There is limited information on the pool of candidates who have applied for immigration or if those candidates align with Canada's economic needs. For example, individuals in the skilled trades are critically important to the national economy but are underrepresented in federal immigration. It's unclear whether they apply but are not selected, or if they're not applying at all.

To remain competitive, Canada must better understand its applicant pool, align its immigration strategy with labour market needs, and aggressively recruit the talent most needed to build greater prosperity.

Recommendations:

- Identify skills and occupations missing from Canada's current talent pool by reporting on applicants' characteristics in more detail in the Express Entry Year-End Report (e.g., occupation, level of Canadian experience, current earnings).
- Fast-track applications for skilled immigrants with experience in high-demand occupations with a goal of processing within two months (compared to the standard six-month processing time set for Express Entry).
- Create a 5-Year Opportunity in Canada Recruitment Strategy based on the needs of the Canadian economy and led by the [Chief International Talent Officer](#), to enhance Canada's competitive edge in attracting high-potential economic immigrants.
- Determine top opportunities for Canada's 5-Year Recruitment Strategy based on the applicant pool, labour market needs, and international recruitment channels. Provincial counterparts should also be involved to connect immigrants with opportunity Canada-wide.
- Set targets to measure the progress and success of each recruitment effort, ensuring they deliver positive benefits for Canadians.
- As part of the 5-Year Recruitment Strategy, evaluate how other countries are reforming their strategies to better attract skilled immigrants and identify areas where Canada can improve its competitiveness.
- Prioritize the skilled trades most in-demand across the country in efforts led by Canada's new Chief International Talent Officer.

Give new Canadians the tools to succeed

Broken promises are not the way to start a life in Canada. But that's often how it feels for newcomers that come here for a better life only to struggle to find housing, work, and the support they need to thrive.

A survey by [Leger](#) found that 43% of recent immigrants felt they did not receive sufficient support, resources, and guidance from the Canadian government to help them settle in Canada. Canada has a comprehensive network of services to assist newcomers; however, many newcomers either do not know about these services or have never accessed them.

This gap leaves newcomers waiting for essential services such as language classes or commuting long distances to access support. Many others have accessed settlement services but did not find it to meet their needs.

Canada has a responsibility to set newcomers up for success from day one, not just for newcomers themselves but for the greater benefit to Canada. Supporting newcomer success is not simply about connecting more newcomers to settlement services. It is about results.

Settlement services must focus on immigrants and outcomes and shifting resources to where they are needed most. Without this focus, newcomers potential, and that of Canada, will be squandered.

Recommendations:

- Refine the National Settlement Funding Formula to better account for recent immigrants who move to different provinces shortly after arrival in Canada (i.e., secondary moves).
- Publicly report funding allocations by province to increase transparency and support regional equity of federal support for immigration.
- Consider expanding the role of, and federal funding for, provinces in settlement services to fill current gaps, given their knowledge of local programming and regional needs.
- Transform the current settlement services website into a user-friendly interface with seamless navigation and advanced search functionality, tested and validated by recent immigrants.
- Connect every single newcomer with this digital resource as a part of the landing process.
- Designate a single umbrella organization to connect newcomers with the most suitable local settlement service agencies across Canada.
- Connect interested newcomers with this umbrella organization before landing for an initial Needs Assessment to get newcomers the support they need to thrive right away.
- Allocate funding to supports that deliver the greatest value to newcomers, based on clear and measurable success metrics for settlement programs.
- Track newcomer success both within and across settlement organizations, and share that information with the relevant umbrella organization to guide future referrals and funding decisions.

Make sure newcomers can utilize their skills

To make the most of immigration's economic benefits, newcomers need to find jobs in their field quickly and easily, without needing a lot of extra training or schooling.

But that's often not the case. In a survey, around [66% of recent immigrants](#) said it was difficult to get work due to foreign credentials. This is especially true for individuals in *regulated* professions—nurses, teachers, engineers—who may be shut out of their profession entirely until their credentials are evaluated by a local regulatory body.

Poor communication is a problem. Throughout the immigration process, information on which professions are regulated or how regulation works is limited. A [study](#) found that about half of economic immigrants didn't know that they wouldn't be able to readily work in Canada due to licensing requirements, slowing down the process to recognition.

But it's not just a lack of awareness. The process of getting credentials recognized is often long, costly, and rigid. According to [Employment and Social Development Canada](#) (ESDC), the process itself is a [major barrier](#) for internationally trained individuals in getting to work.

Licensing requirements and credential recognition pathways vary across the country, but that doesn't mean the federal government is powerless. Far from it, the Government of Canada can play a critical role in better and earlier communication with newcomers and building toward a system that can better recognize one's competencies, regardless of where this skillset and knowledge was acquired.

Recommendations:

- Incorporate regulatory bodies into the immigration process, as is already done for certain occupations, and expand their role beyond assessing educational qualifications for equivalency to include applications to practice in Canada.
- Send information, resources, and support on credential recognition to non-principal applicants and individuals immigrating through streams outside of economic ones as well.
- Report application processing rates for regulatory bodies across provinces. And encourage provinces to set firm deadlines via legislation that assures applications are processed in a timely manner.
- Work with provinces to create a national standard for the most in-demand regulated professions so that individuals can quickly gain certification and begin working.
- Establish mutual recognition for international qualifications, focusing on the countries and institutions where readily recognizing credentials would be the most beneficial.
- In collaboration with post-secondary institutions and businesses, identify the occupations best suited for competency-based testing which would allow newcomers to prove their skills, regardless of where qualifications were earned.

Increase the role of the provinces in immigration

The provinces have played an important and growing role in immigration in Canada through the Provincial Nominee Program (PNP). However, the October 2024 cuts to immigration gutted the importance of the PNP.

Two thirds of the 100,000-person cut to immigration targets came from the PNP—more than cuts to family-related immigration and refugees combined. Meanwhile, most other federal economic immigration streams saw only minor cuts, and some were even expanded.

This is a mistake. Cutting the PNP will concentrate more immigrants in Canada's biggest cities where housing is the least affordable. It will also ignore the unique needs and priorities of smaller regions.

The PNP isn't perfect and could be improved. But it's a valuable tool to drive economic growth and address local labour needs across the country. With the right changes, it can help deliver the benefits of immigration more widely from coast to coast to coast. Specifically, setting clearer goals and measures of success, minimizing the complexity and overlap with federal programs, and adjusting provincial allocations are just a few crucial ways that we can enhance the program's success to maximize its value as a cornerstone of Canada's immigration strategy.

Recommendations:

- Set Provincial Nominee Program (PNP) targets back to around 40% of economic immigration for 2025–2027. After that, adjust the program's share based on how well it performs (as explained in recommendation 3).
- Work with the provinces to set clear measures of economic success for PNP applicants, like median wage 5-10 years after getting permanent residency. Report on these results in the Immigration Annual Report to track how well the program is doing.
- Adjust the size of the PNP over time based on how well it performs (based on the metrics established above.) If PNP nominees have strong economic outcomes, increase the program's share of Canada's total economic immigration.
- Adjust provincial allocations so that provinces where immigrants are most likely to succeed can nominate more individuals. Success should be determined based on economic metrics such as median wages relative to the population and housing affordability.
- Phase out federal programs that overlap with the PNP, particularly category-based selection, as it targets the same industries and occupations prioritized by many provinces.
- Improve coordination within the FMRI to share upcoming changes to Express Entry and temporary resident pathways that could impact the pool of candidates for the PNP. Give provinces enough time to provide feedback and suggest alternatives.
- Work with provincial immigration ministries to develop a Canada-wide plan to grow the talent pool for in-demand skills and jobs.
- Work with provincial immigration ministries to create an online portal that outlines the selection criteria for each individual PNP stream. This will help to improve transparency and the matching of immigrants with opportunities.