


## ***Can Canada Trim Its Reliance on Foreign Labor?***

For the first time, the government will set a cap on visas for temporary residents, including temporary workers and students, this fall.

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To boil down the economy of labor for his university students, Mikal Skuterud often poses them a basic question: Would they prefer to graduate when jobs are scarce or when workers are scarce?



Agriculture in Canada has long relied on temporary foreign workers. Credit...Fabrizio Costantini for The New York Times

They mostly vote for a time of worker scarcity. Workers can benefit in a vast job pool through employers' competition to attract them — with better wages, for

example — though this dynamic varies across industries, said Professor Skuterud, a labor economist at the University of Waterloo in Ontario who specializes in immigration.

“Labor economists tend to see labor shortages not as a first-order economic problem that governments need to solve,” he said.

Instead, he said, they see them as “a blessing” for workers and job seekers.

In Canada, the government is on a mission to plug those labor gaps with foreigners, having set a goal of attracting 1.45 million immigrants between 2023 and 2025. Officials, in announcing the plan two years ago, framed it as imperative for Canada’s future prosperity and its ability to fund public services.

Canada’s immigration policy historically emphasized highly skilled workers. Its geographic isolation from countries facing emigration crises allows it to be selective about future newcomers.

The country has a ranking system for prospective migrants to register their work experience, language skills and other qualifications, which generate a score. Applicants who land above the threshold can receive an invitation to apply for permanent residency.

The government began to sidestep that system in February 2021, Professor Skuterud said, when it introduced programs that expanded the invitation roster to lower-skilled applicants. Last spring, Marc Miller, the immigration minister, unveiled a new immigration stream that would expedite general categories of applicants in fields such as health care, transportation, trades and agriculture.

“Everywhere I go, I’ve heard loud and clear from employers across the country who are experiencing chronic labor shortages,” Mr. Miller said in a [statement](#) announcing the program.

Compared with the points system, the process of deciding which industries need help and should be given priority is more opaque and can be politicized or influenced by business lobbying, Professor Skuterud told me.

“There’s absolutely no ambiguity that the push for this kind of lower-skilled immigration is coming from the business sector,” he said.

Recent [figures](#) from Statistics Canada show that the nation's population grew by almost 1.3 million people last year, representing a 3.2 percent growth rate. That's the highest since 1957. About 471,000 people became permanent residents, meeting the government's target for 2023. The country hit a population milestone of 40 million people that same year. (Canada's current population is 41.4 million.)

The immigration department forecasts that 485,000 newcomers will arrive this year and that 500,000 will come in 2025.

The aggressive pursuit of newcomers comes as Canadians are preoccupied with the high cost of living, borne out in both [homes](#) and [food prices](#). Banks say that Canada's economy is [stagnating](#). Critics of the government's immigration plan argue that the influx of newcomers will strain these pressure points. Public opinion polls suggest that the longstanding support of Canadians for immigration has been weakened by these concerns, according to a [report](#) by the Environics Institute for Survey Research, a nonprofit polling firm.



Marc Miller, the immigration minister, says that businesses are facing labor shortages. Credit...Blair Gable/Reuters

Political backlash led the government to add restrictions for temporary residents, starting with changes that would place work-hour limits on international students and impose a higher savings threshold on applicants who wish to study in Canada.

Mr. Miller, the immigration minister, also announced in March that the government would, for the first time, place a cap on temporary resident arrivals, which include foreign workers, students and asylum seekers. Further details will be released in the fall. But, as a starting point, Canada will seek to decrease the share of temporary residents to 5 percent of the population.

This group currently represents about 7 percent of Canada's population, according to estimates by Oxford Economics, a global economics consulting company with offices in Toronto. To reach its goal, the government would need to ensure that a net 500,000 temporary residents leave Canada by 2027, its analysts calculate.

The overall benefits of immigration to the Canadian economy will be seen in the long term despite the immediate pressures on housing and public infrastructure, said Tony Stillo, a director at Oxford Economics who works on Canadian economic forecasting.

"There is an ultimate lift to the economy," he said. "It just takes time."

[https://www.nytimes.com/2024/07/13/world/canada/canada-immigration-labor.html?campaign\\_id=301&emc=edit\\_ypgu\\_20240713&instance\\_id=128712&nl=your-places%3A-global-update&regi\\_id=177901256&segment\\_id=172095&te=1&user\\_id=eac38c6faf1f143145c18ad20dab966b](https://www.nytimes.com/2024/07/13/world/canada/canada-immigration-labor.html?campaign_id=301&emc=edit_ypgu_20240713&instance_id=128712&nl=your-places%3A-global-update&regi_id=177901256&segment_id=172095&te=1&user_id=eac38c6faf1f143145c18ad20dab966b)

No one else has noted this, but I think Marc Miller, the PM's longtime friend, has been his best cabinet minister, wading into tough files in ministerial mess and sorting them out sanely. Now if he would take Justin for a long walk ...

I don't know who "the good guys" are in this immigration imbroglio. I remember asking a senior, savvy foreign Washington correspondent inclined to minimize Trump in his formative political days, "Just who else do the anti-immigrant people think will do the dirty low-pay jobs no one here will do? The beleaguered Blacks of Ferguson, Missouri? The 'Indians on Welfare' whom Canadian conservatives blame so much on outside of mainstream media? Who will make sure our Timmy's double-doubles remain cheap?" If such jobs were redesigned to allow better pay, more respect, and higher status, would a more local work force emerge? Would people pay more for their Timmy's? Of course not; the taxpayer waiting in the drive-through lane, complaining about Indians of every kind, wants his coffee and timbits served to him at "working poor" wages. But if he thinks "all those lazy Indians" could be forced to replace the Filipinos, he is deluding himself. The optics would prove unbearable, and only immigrants (bowing to what they must do to get into the country) can salvage their pride in a Timmy's hat. Besides, so many of those lamented Indigenous folk have been effectively rendered unemployable by poor education, health problems (e.g. diabetes, obesity from low-income diets), addiction and mental health histories, and stigma that the Indigenous population is no solution to the worker shortage "crisis." Besides, Big Business would much rather have a well-educated professional (elsewhere) in such positions knowing they must be submissive as immigrants wanting permanent residency and citizenship. TJB