

## Immigration and housing crises require decisive action | Sergio R. Karas

By **Sergio R. Karas**

Law360 Canada (October 15, 2024, 2:22 PM EDT) -- As Canada grapples with a severe housing crisis, many citizens are increasingly apprehensive about the government's immigration policies.

A recent poll by Leger, conducted from Aug. 23 to 25, 2024, indicates that 78 per cent of Canadians believe high immigration levels are driving up housing costs while 73 per cent feel that current immigration policies are too generous. These figures highlight genuine concerns that the influx of newcomers is sidelining many Canadians from securing affordable housing. The government must listen to the growing number of voices questioning the sustainability of existing immigration policies, particularly regarding non-permanent resident programs that many foreign nationals utilize to pursue permanent residency and citizenship. In particular, the government must tackle the lack of proper vetting procedures in the Temporary Foreign Worker (TFW) program and the growing issue of international students misusing the refugee claimant system to prolong their stay.



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An article by RBC published on July 4, 2024, reported that households nationwide must allocate an astonishing 60.9 per cent of their income towards house ownership costs. In Vancouver, this figure exceeds an entire share of income at 100.9 per cent while in Toronto, households would need to put aside a staggering 78.9 per cent of their income. Canadians should not be forced to surrender their entire savings just to afford a home, especially given the increasing cost of living across the country.

Amid deteriorating homeownership affordability, many Canadians are compelled to seek rental housing. However, with a shortage of rental supply and skyrocketing rents, even the rental market is becoming increasingly unattainable for many. RBC reported on April 8, 2024, that the rental vacancy rate for 2023 plummeted to a historic low of just 1.5 per cent nationwide. Except for Belleville, Ont., every urban market has a vacancy rate below the balanced level of three per cent. Meanwhile, rental prices have surged dramatically. On average, Canadian renters saw an increase of \$100 per month last year, almost four times the average annual increase seen in the decade before the pandemic. Data from the City of Toronto shows that, as of the third quarter of 2024, 92,965 residents are on

waiting lists for social housing. Many of them are refugee claimants.

While the affordable housing and rental market becomes increasingly out of reach for many Canadians, the number of temporary residents continues to surge. Data released by Statistics Canada on Sept. 25, 2024, indicate that the population of temporary residents, including foreign workers, international students and refugee claimants, has more than doubled from approximately 1.3 million in 2021 to more than 3 million as of the third quarter of 2024. Many of these non-permanent residents require affordable housing; however, the market cannot accommodate additional residents. The government must act urgently to reduce the number of temporary residents to ease the pressure on affordable housing.

On Sept. 18, 2024, the government announced additional measures aimed at tightening eligibility for obtaining a Post-Graduation Work Permit and a further 10 per cent reduction in the study permit intake cap, lowering the target from 485,000 to 437,000 for 2025. This follows measures announced on Aug. 26, 2024, aimed at limiting the number of temporary foreign workers in the low-wage stream. These measures included the refusal to process Labour Market Impact Assessments in metropolitan areas with unemployment rates of six per cent or higher and reducing the number to 10 per cent of the workforce for low-skilled workers. These changes merely represented a rolling back of measures implemented in 2022, that resulted in a relaxation of the temporary foreign worker program to fill labour shortages caused by the COVID-19 pandemic. With over 1.4 million foreign workers, and over half a million study permit holders, these policy changes are simply not enough and will not yield a significant reduction in the number of temporary residents.

These reform plans overlook the issue of international students abusing the refugee claims system. Often guided by unscrupulous individuals charging exorbitant fees, international students are exploiting in-Canada asylum claims to extend their stay. *The Globe and Mail* reported on Sept. 24, 2024, that a whopping 12,915 international students sought asylum in the first eight months of this year alone. On April 22, 2024, *The Globe and Mail* also reported that between 2018 and 2023, Seneca College experienced a staggering 1,267 per cent increase in refugee claims made by students while Niagara College experienced a 2,500 per cent rise. In 2023, more than half of the international student population at Conestoga College applied for refugee status. As of June 30, 2024, the Immigration and Refugee Board reported that 218,593 refugee claimants were awaiting a decision on their status, a massive jump from 87,270 at the end of 2019. This abuse of the refugee determination process compromises the integrity of the immigration system as international students looking to prolong their stay for questionable reasons are creating significant delays for legitimate refugee claimants and increasing administrative costs. If the government seeks a genuine reduction in the temporary population, it is critical to confront the rampant misuse of in-Canada asylum claims by international students.

The federal government must also tackle the issue of fraud in the TFW program. On Aug. 27, 2024, the *Toronto Star* reported that government officials are "fast-tracking applications" by circumventing critical fraud-prevention protocols. This includes neglecting the verification of employer legitimacy, failing to confirm the licensing status of lawyers and consultants and overlooking key details, such as overtime pay, vacation time and benefits. Implementing measures like capping the number of temporary foreign workers will have little impact if the federal government fails to enforce the law and ignores common sense security checks. The TFW program is designed to address labour shortages, but the lack of proper vetting undermines this goal.

Statistics Canada reports that, as of August 2024, the number of unemployed individuals has reached 1.5 million, an increase of 60,000 since July and up 272,000 from August 2023. Among those unemployed in July, only 16.7 per cent successfully transitioned to employment in August, a stark decline from 23.3 per cent who found work in August 2023. These figures highlight the increasing challenges Canadians face in securing jobs. At a time of rising unemployment, it is foolhardy to allow international students and refugee claimants to compete against low-income Canadian residents in the job market.

Canada's housing crisis demands an urgent reevaluation of immigration policies, particularly regarding temporary residents. With a significant majority of Canadians concerned about rising housing costs linked to high immigration levels, the government must curb the unsustainable influx of non-permanent residents. Without stronger decisive action to prevent abuse of in-Canada refugee claims by international students, and stronger vetting procedures in the TFW program, the situation will

continue to worsen, leaving many Canadians in a cycle of housing insecurity and eroding the national consensus on immigration.

Meaningful reform is essential to avoid deepening this escalating crisis.

*Sergio R. Karas, principal of Karas Immigration Law Professional Corporation, is a certified specialist in Canadian Citizenship and Immigration Law by the Law Society of Ontario. He is co-chair of the ABA International Law Section Immigration and Naturalization Committee, past chair of the Ontario Bar Association Citizenship and Immigration Section, past chair of the International Bar Association Immigration and Nationality Committee and a fellow of the American Bar Foundation. He can be reached at [karas@karas.ca](mailto:karas@karas.ca).*

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