



## Immigration: A Smarter Approach Needed to Fix Ottawa’s Mess



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In Canada, about 17,500 more people were born than died in 2022 – a miniscule population gain. Absent immigration, our population is basically flatlining. So, yes, we need immigration, but the federal government made a colossal mistake by adding a city the size of Calgary to Canada last year – and doing the same this year.

With mounting public concern over the impact of immigration on affordability and infrastructure, the Trudeau government is now planning to ratchet back the number of new immigrants – both permanent and temporary – over the next few years. There are huge execution risks with a policy

course correction that will require 1.2 million non-permanent immigrants to pick up and leave in 2025.

**“We need to align newcomers’ skills with economic and demographic needs.”**

We also need to align newcomers’ skills with economic and demographic needs, notably in the construction industry. The fact that only 2% of all permanent immigrants pursue a career in the construction trades is one sign of badly flawed policies. We need to reverse a now decades-long trend towards permanent-resident selection criteria that are biased against trades

workers, and we need to get serious about competing for increasingly mobile and in-demand global talent.

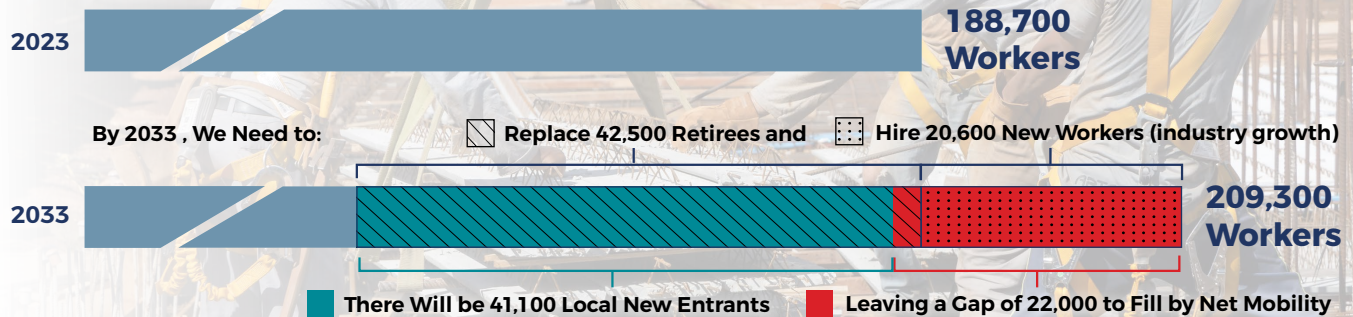
We need fast and efficient entry points into the Canadian workforce. We must also better support newcomers with language and other skills acquisition to help them be productive and engaged after their arrival in Canada.

Canada is a country of immigrants, and new arrivals continue to enrich our society in innumerable ways. But we must leverage immigration more effectively to fill the skills gaps in our economy and to fuel our long-term prosperity. It’s one of the best ways to accelerate the pace and moderate the cost of getting crucial things built – whether that’s infrastructure, energy projects, hospitals, homes and more.

## None of Us Are Getting Any Younger

Mapping demographics against industry needs clearly underscores the importance of attracting immigrants and other new Albertans. 20% of Alberta residents will be seniors by 2046, compared to 14% in 2020. In construction, 23% of current workers are expected to retire by 2033 – and natural population growth is too low to fill that gap, much less support industry growth. In fact, more than one-third of all new construction workers that will be needed by then will have to be new Albertans.

### Alberta Construction Labour Force



Source: Construction & Maintenance Industry, Alberta Highlights 2024-2033; BuildForce Canada; March 2024

# Mismatched Immigration and Labour Demand

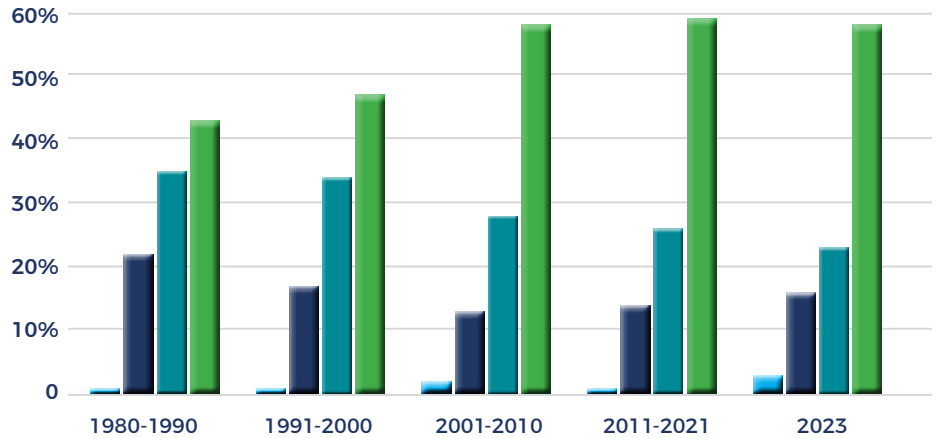
There's been a lot of debate recently over how many immigrants Canada should welcome, but the bigger question is how to ensure we have the right number with the right skills. Canada will always be a destination for people wanting to reunite with family or flee persecution. But Canadians old and new will benefit from an immigration system that focuses on filling skills gaps in our workforce, and in particular that addresses the under-representation of immigrants in the construction industry today.

## Fewer than 60% of New Permanent Immigrants are Selected on Economic Criteria

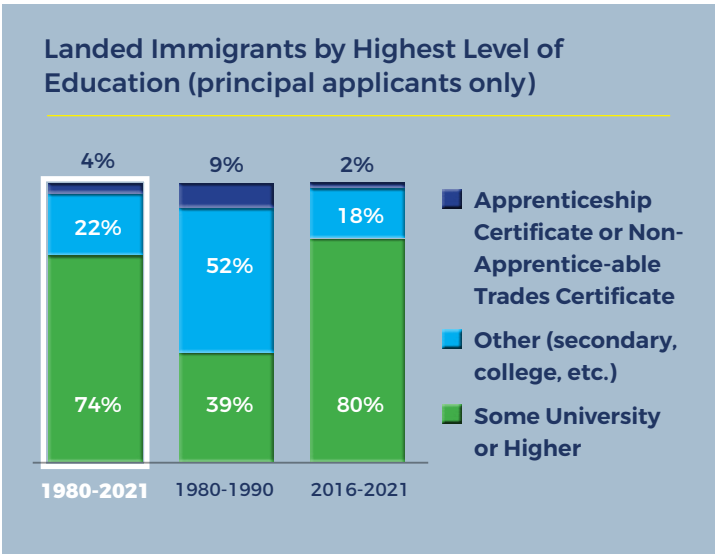
■ Economic Immigrants    ■ Refugees  
■ Sponsored by Family    ■ Other

The government's 2025-2027 Immigration Levels Plan doesn't propose any material increase in the proportion of economic immigrants - it will remain essentially stagnant at about 60%.

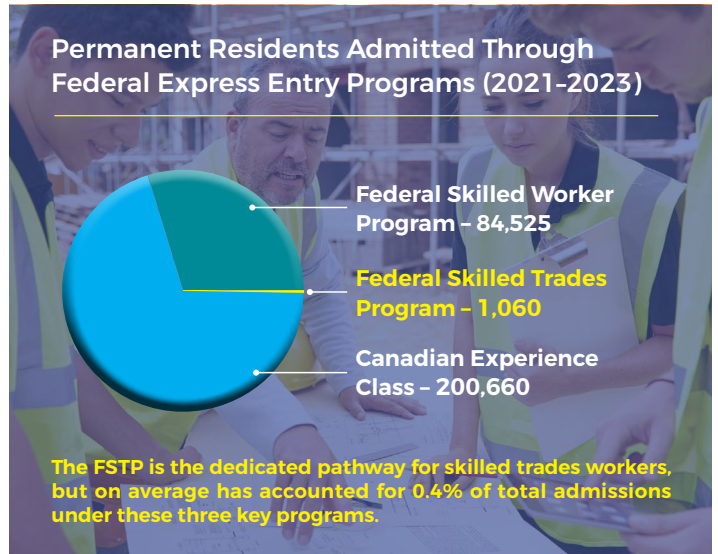
Sources: StatsCan Table: 98-10-0318-01 - Immigration Report Update; BuildForce Canada; March 2024 - Supplementary Information for the 2025-2027 Immigration Levels Plan; Immigration, Refugees and Citizenship Canada



## Immigrant Selection Skews Against Tradespeople



Source: Immigration Report Update; BuildForce Canada; March 2024



Source: Express Entry Year-End Report 2023; Government of Canada

**“It is not a person’s education but rather the matching of their skills to domestic economic needs that determines how much a new person can contribute. Nowhere is this clearer than the construction labour market.”**

– *Globe & Mail commentary (Kevin Yin), December 5, 2023*

# Selecting and Supporting Newcomers Better

Biases against construction skills are built into Canada's immigration system, at the very time we need such workers most. We need to shift from a gatekeeping to a competitive mindset, given that internationally mobile and skilled workers have options. There are many opportunities to improve the current system, including the following key ones identified through ICBA analysis and member outreach.

## Align Supply and Demand



- Prioritize construction-relevant skills and experience in application criteria
- De-prioritize advanced skills in an official language
- Award additional selection points based on labour market demands
- Introduce targeted candidate draws aligned with specific skill sets
- Target two streams: i) experienced tradespeople who can hit the ground running, and be ready to fill senior/managerial gaps due to retirements; and ii) aspiring new entrants with a demonstrated interest in pursuing targeted training and trades careers

## Get People Working Faster



- Consider pre-certification of experienced workers prior to arrival
- Provide efficient, simplified skills/credentials recognition after arrival
- Support programs such as mentoring, subsidized apprenticeships and bridge training as needed
- Reduce the costs/burdens of hiring temporary workers – fast-track specific skill sets
- Develop “train to hire” initiatives for aspiring new entrants

## Keep Arrivals Productive and Engaged



- Provide well-suited, relevant support for language skills development post-arrival
- Incentivize inter-provincial (and international) skills recognition to enable mobility
- Combine temporary work permits with clear pathways towards permanent residency

“If admissions of immigrants with skilled trades experience are not increased, the acute labour shortages experienced by the construction sector over the past several years may become chronic.”

– BuildForce Canada, Immigration Report Update, March 2024

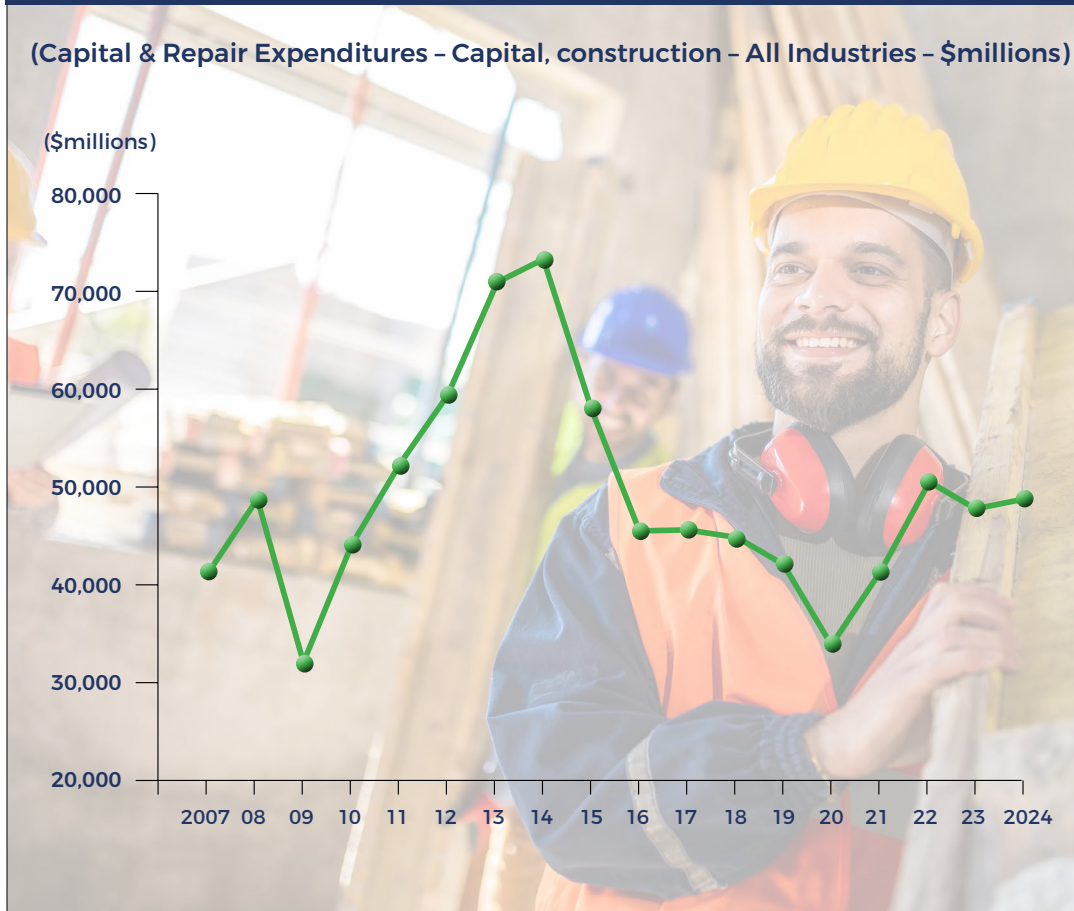
# We Can't Afford to Not Build Our Workforce

With significant deficits in infrastructure building and new home construction, the volume of construction work over the next decade will be enormous. Temporary and other foreign workers are an important source of the surge capacity that the industry needs. When worker shortages occur, contractors lose business opportunities. But the impacts go much further: projects take longer, supply shrinks and prices climb - factors that are seriously aggravating our housing affordability crisis.

The ALBERTA CONSTRUCTION MONITOR is an ICBA Alberta publication providing ahead-of-the-curve information and statistics on the Alberta construction industry and issues relevant to it.

ICBA Alberta advocates for fairness, opportunity, and free enterprise; and supports the success of open shop contractors and ICBA Alberta members by delivering services that enhance the competitiveness of their businesses.

## Alberta's Variable Construction Activity



Source: StatsCan Table: 34-10-0035-01 (formerly CANSIM 029-0045)

## Consequences of Labour Shortages in Canadian Construction Industry

Percentage of Businesses Who...

...Postponed Completion of Existing Projects **38%**

...Turned Down New Projects **52%**

Value of Business...

...Lost Due to Labour Shortages (in 2022)

**\$9.6 B**

Source: Small Businesses in Canada Hit Hard, The Big Financial Toll of Labour Shortages; Canadian Federation of Independent Business; November 2023

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