Navigating Winds Of Change: Realigning With Canada’s Revised Immigration Framework For 2025 And Beyond



Canada’s Vision for Future Immigration

In a context where immigration policies are part of an increasingly restrictive approach, the Canadian Government has announced new measures to correspondingly help alleviate labour shortages and support the economy—particularly during these unprecedented times of economic uncertainty more recently exacerbated by escalating and inflationary tariffs between Canada and the United States.

Traditionally, an annual Immigration Levels Plan (Plan) is announced by the Minister of Immigration, Refugees and Citizenship, setting out detailed immigration targets for the next three years. These targets specify the number of permanent residents to be admitted to Canada across various categories and programs. For 2025, the previous Minister of Immigration, Marc Miller, announced on October 24, 2024, the first ever Plan to fully account for the total number of newcomers, including targets for temporary residents such as international students and foreign workers.

However, the targets for 2026 and 2027 remain projections and are subject to change. The final targets are to be announced by November 1st of each year, with the aim of adapting to the evolving needs of the Canadian labour market and other considerations, such as the capacity of housing, infrastructure, and social services to accommodate and integrate new residents.

The 2025-2027 Plan marks a trend of decreasing immigration levels, prompting actions to support the Canadian workforce and meet labour market needs.

The 2025-2027 Immigration Levels Plan

This year’s Plan reveals a substantial decrease from previous targets, with admissions set at 395,000 permanent residents in 2025, 380,000 in 2026, and 365,000 in 2027. The overall reduction in planned permanent resident admissions will be 21%, representing 105,000 fewer admissions than the 500,000 target for 2024, and 120,000 fewer than the projections for 2026 from last year’s Plan.

For the first time, this Plan includes targets for temporary residents, aiming to reduce their share to 5% of the total population by the end of 2027. The figures are

as follows: 673,650 temporary resident arrivals in 2025, 516,600 in 2026, and 543,600 in 2027. The reduction in this population category will be achieved, in part, by setting caps on study permit applications and changing eligibility criteria for work permits. These changes will impact the labour market and justify the government measures outlined below.

Measures Implemented to Tackle Labour Shortages

The 2025 Plan implicitly addresses labour shortages, with subsequent announcements and new policies providing insight into its execution.

Despite lower targets, the Plan's foundation lies in stabilizing Canada's population growth by transitioning more temporary residents to permanent status. This approach supports the workforce and economic development through integrated residents without straining social services.

Over 40% of permanent resident admissions in 2025 are expected to be candidates already in Canada as students or workers. Programs like the Canadian Experience Class will facilitate skilled workers with Canadian work experience in key sectors to become permanent residents. Express Entry federal economic class draws will prioritize candidates with Canadian work experience, including a new education category in 2025 aligned with Canada's long-term labour shortages. Draws will also focus on candidates with strong French language skills and work experience in health care, education, and trades to support Francophone communities outside Quebec.

Additional measures include regularizing the status of undocumented migrants working in the construction sector to contribute to housing development. About 6,000 out-of-status workers will be eligible for a program overseen by an advisory council, which will soon release its plan for new pathways for integration. Furthermore, from February 26, 2025, for a two-year period, a temporary policy will allow apprentices in eligible construction occupations within TEER 0, 1, 2, 3 categories, who possess a valid work permit, to study without a study permit to fulfill their apprenticeship program requirements. This will expedite their ability to contribute to the construction sector by bypassing the need for a study permit for programs exceeding six months.

These initiatives are congruent with an immigration strategy that favours granting permanent residency to temporary workers already within Canada's borders and limits the influx of temporary foreign workers and newcomers.

Beyond economic factors, Canada maintains its commitment to humanitarian principles. In 2025, projections for permanent resident admissions for family reunification stand at 24%. Additionally, admissions targeting Francophone immigration outside Quebec are expected to be around 8.5%, reinforcing these communities. However, the primary focus remains on economic immigration, aiming for a 62% rate of total permanent resident admissions in vital sectors like health care, education, and skilled trades by 2027. This strategy will significantly support the labour market and foster long-term economic growth.

For employers, the evolving landscape means that they must rethink workforce management and reliance on temporary foreign workers, particularly considering the new policies impacting work permit availability and eligibility. As the Canadian immigration system embraces more stringent criteria, employers must navigate a more challenging environment characterized by heightened refusal rates, more demanding qualifying requirements for Canadian Experience Class (CEC) and Provincial Nominee Program (PNP), as well as increased unpredictability.

Employers should be proactive in understanding application caps and the composition of the foreign worker population to develop forward-looking and effective strategies for immigration and workforce management.

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The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.

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