



Century Initiative | Initiative du Siècle

Written Submission for the Pre-Budget
Consultations in Advance of the Upcoming
Federal Budget

by: Century Initiative

August 2023

Recommendations to the Federal Government

Recommendation #1: Work with provincial, territorial and municipal governments to ensure **more public and private investment in housing and other physical infrastructure** needed to support a growing population.

Recommendation #2: **Invest in social infrastructure** – particularly child care – that will support families and support a growing population.

Recommendation #3: **Meet existing immigration targets** as committed in the 2023-2025 Immigration Levels Plan, which would mean maintaining admissions within a target range of 1.15 per cent to 1.25 per cent of the population annually.

Recommendation #4: Improve settlement services for temporary residents, increase opportunities for temporary residents to **transition to permanent residence**, and improve the process of planning for temporary resident admissions.

Overall, we believe the federal government should plan and invest for a growing population.

Seizing Our Advantage

Based on our current modelling, Century Initiative now estimates, for the first time ever, that Canada is on track to reach a population of 100 million by 2100.

These estimates are contingent on a continued steady expansion of immigration levels and implementation of policies that could help support families who want to have more children. This growth is also contingent on governments' increased investments in housing and other infrastructure and services that ensure that Canada can accommodate population growth in a way that increases the quality of life and standard of living for all Canadians.

Increased immigration is the most reliable way to grow our population and fuel our economic growth. Century Initiative is supportive of immigration measures that will respond to Canada's diverse labour market needs, enable more existing foreign workers and students to transition to permanent residence, advance Canada's humanitarian objectives, and strengthen the linguistic and cultural security of French-speakers in Quebec and the rest of Canada.

Maintaining strong public support for immigration is foundational to Canada's ability to welcome high levels of newcomers. [Recent research by the Environics Institute](#) shows that support for immigration in Canada remains high, but this support cannot be taken for granted.

To maintain public support, we must not just grow, but *grow well* – ensuring that the benefits of population growth are broadly shared by all Canadians, with an increased supply of affordable housing and improved public services, such as child care, education, and training.

It also means making growth part of the path to net-zero. As a high-income country, Canada has the capacity to build higher-density sustainable communities designed for a high quality of life, and to welcome newcomers to those communities as a contribution to the global fight against climate change.

The Indigenous population is growing faster than the Canadian population overall, and growing well similarly means closing gaps in educational opportunity, employment, and infrastructure frequently experienced by Indigenous peoples, and supporting growth of the Indigenous economy through co-developed policies and approaches.

Century Initiative is pleased to provide the following evidence-based recommendations to the Standing Committee on Finance that are aligned with the findings of our [3rd annual National Scorecard on Canada's Growth and Prosperity](#). The Scorecard assesses 39 indicators across six focus areas. It provides a strategic window into where Canada leads, remains on track, needs to focus attention, or is falling behind on the issues that will influence Canada's future.

Effectively Seizing Our Advantage

Recommendation #1: Work with provincial, territorial and municipal governments to ensure **more public and private investment in housing and other physical infrastructure** needed to support a growing population.

Canada's population growth must be matched by public and private investment in infrastructure such as affordable housing, broadband, roads, bridges, water and wastewater, and public transit. Increased density in cities and growth in smaller communities is possible with better policies around housing, zoning, transportation and public services. Without planned and strategic investments in infrastructure, population growth driven by immigration will put a strain on Canada's economy, quality of life and well-being.

Canada is in the midst of a housing affordability crisis. Canada Mortgage and Housing Corp. (CMHC) has reported that over 22 million housing units will be required by 2030 to achieve housing affordability for everyone living in Canada. At current rates of new construction, Canada is only on pace to reach close to 19 million units by 2030, meaning an additional 3.5 million more homes need to be built by 2030. This affordable housing shortage deeply impacts all areas of the country.

Governments need to use all of the policy tools at their disposal to get more affordable housing built quickly. The failure of housing supply to keep up with population growth threatens Canada's ability to settle immigrants and our reputation as an attractive destination for migrants.

Recent government investments through the National Housing Strategy are promising steps, but the federal government must do more work with the provinces and municipalities to address land use and development rules along with other barriers to new housing development: allowing construction of new multi-unit rental dwellings to increase density by default, lowering developments costs at the municipal and CMHC level, taxing unused properties, curbing foreign real estate investment, preventing house flipping, and expanding subsidization of affordable, non-profit, and co-op housing development and operation.

Immigration can also support the expansion of the housing supply by expanding the skilled construction workforce that is needed.

Recommendation #2: Invest in social infrastructure – particularly child care – that will support families and support a growing population.

Century Initiative applauds the federal government's commitment to a Canada-wide early learning and child care system. High-quality, affordable, accessible childcare can support the well-being of children and families, create jobs, positively impact labour force participation and the economy, help to attract and retain newcomers to Canada, and can have a positive impact on fertility rates.

To be successful, childcare must be reconceptualized as part of our core public services, like health care and unemployment insurance. It must also be a key pillar in community planning efforts, just like schools, parks and public transit, accommodating needs of different communities and responding to community growth.

A Canada-wide system for early learning and child care is starting to be implemented. Almost half of provinces and territories have reached the goal of delivering \$10-a-day (average) child care for families – three years ahead of schedule. In the remaining provinces and territories, fees have been reduced by 50% and are on track to achieve \$10-a-day fees by 2026. However, there continues to be a lack of equitable supply of services and not enough qualified educators to meet demand.

A central area of focus must be federal and provincial investment in strengthening the child care workforce with increased compensation and training pathways. Further capital investment is also needed to get the new system off the ground.

Commitment across all levels of government and through multiple election cycles will be critical to successful system implementation, benefitting children, families and the economy. We know that a good child care system is good economic policy. We cannot lose momentum and we must continue to support the effective development and delivery of the system.

Recommendation #3: Meet existing immigration targets as committed in the 2023-2025 Immigration Levels Plan, which would mean maintaining admissions within a target range of 1.15 per cent to 1.25 per cent of the population annually.

In November 2022, Century Initiative welcomed the higher immigration targets announced as part of the federal government's 2023-2025 Immigration Levels Plan. These targets include permanent resident admissions of **465,000** in 2023, **485,000** in 2024, and **500,000** in 2025.

Century Initiative commends the government for recognizing the important role that immigration plays in our economic and social prosperity. Canada's increased targets will help build upon Canada's already strong economic immigration record and its recognition of the importance of family reunification and refugee resettlement.

In June 2022, Bill C-19 received Royal Assent, giving the federal immigration minister the authority to select immigrants based on Canada's economic goals via the Express Entry application management system (such as selecting candidates based on their occupational background or desire to reside in a smaller community). This is a positive development. It is important going forward to strike a balance between selecting economic immigrants based on current in-demand occupations and the approach of overall human capital assessment which has a demonstrated track record. In both cases, a focus on long-term economic indicators is key.

As Canada accepts a larger number of immigrants, it should continue actively participating in and endorsing the improvement of Francophone communities' well-being. New admissions will require continued engagement with Francophone stakeholders to enable Francophone newcomers to play a significant role in fostering the French language and addressing the nationwide labour shortage. It will also require continued collaboration between the federal, provincial and territorial governments while respecting the constitutional and legal rights of Quebec to manage and control its own immigration so that population growth supports and enriches the French-speaking population.

As the effects of climate change take shape and displace people in the most vulnerable regions of the world, Canada must plan for a future of climate migration. We recommend that Canada undertake foresight work to model how our immigration system and immigration levels planning should respond, potentially engaging Policy Horizons Canada in this work (the Government of Canada's centre of excellence in foresight).

Recommendation #4: Improve settlement services for temporary residents, increase opportunities for temporary residents to **transition to permanent residence**, and improve the process of planning for temporary resident admissions.

Canada must ensure that its immigration system is based on permanent immigration. While there are many reasons for a modern immigration system to admit individuals on temporary status, long-term challenges require long-term solutions.

Canada should improve opportunities to transition to permanent residence for all temporary residents, drawing on its experience creating pathways for international students. For some temporary foreign workers, particularly those in low-skilled jobs, it is more difficult to transition to permanent residence for reasons including qualification requirements and immigration processing backlogs.

Canada's system of supports for newcomers is focused on permanent residents. This has resulted in gaps for those arriving on a temporary status, such as temporary foreign workers and international students. Despite being increasingly relied upon to support Canada's economy, and despite being potential immigrants within Canada's expanding approach to two-step immigration, those with temporary status frequently face precarity and challenges on the path to permanent residence.

Canada should expand settlement services (e.g., language training) for temporary residents seeking to transition to permanent residence and ensure the availability of these services in communities of all sizes.

The number of temporary residents admitted to Canada has increased considerably in recent years. This reflects greater reliance on temporary workers to fill long-term labour market needs and increased profile of Canada as an international education destination. As the number of temporary residents admitted to Canada across all programs has expanded, it is important for Canada to apply the same long-term planning lens that it uses for permanent immigration. Canada should consider integrating planning for temporary resident admissions within its three-year immigration levels planning framework.

About Century Initiative

Century Initiative is a national, non-partisan charity with a mission to enhance Canada's long-term prosperity, resiliency and global influence by responsibly growing the population of Canada to 100 million by 2100.

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