

# Mobility: Immigration alert

January 2024

## Canada

Canada announces changes to student work permits and implements a cap on international student admissions

### Executive summary

The Honourable Marc Miller, Minister of Immigration, Refugees and Citizenship (IRCC) has announced the implementation of a two-year cap on international student applications to stabilize the growth of the International Student Program for the next two years. As well, new limits on work permits issued to international students or their spouses have also been recently announced.

### Background

As the number of international students choosing to study in Canada has rapidly increased over the past few years, the government has recently introduced several measures in an effort to better manage the integrity of the International Student Program.

For example, as of 1 December 2023, officially recognized post-secondary schools (known as Designated Learning Institutions, or DLI) have been required to confirm their letters or acceptance directly with IRCC, a verification process which was implemented to protect prospective students from unscrupulous parties by ensuring study permits are issued based on genuine letters of acceptance.

Additionally, the government increased the minimum funds threshold that a prospective foreign student in Canada must possess, effective as of 1 January 2024, to better reflect the true cost of living in Canada.

### Key developments

On 22 January 2024, the government announced further changes:

- ▶ Introduction of a cap on new study permits, effective immediately. The 2024 cap is expected to result in approximately 360,000 approved study permits, which represents a 35% decrease from 2023.
- ▶ IRCC will allocate the cap across provinces and territories based on population proportionality of each province. Provinces and territories will then be responsible for distributing the allocation among DLIs in their jurisdiction.
- ▶ All study permit applications submitted to IRCC starting 22 January 2024 will require an attestation letter from a province or territory. Provinces and territories have until 31 March 2024 to establish a process for issuing attestation letters to students.
- ▶ Beginning 1 September 2024, international students starting programs under a curriculum licensing arrangement, that is, where a private college has been licensed to deliver the curriculum of an associated public college, will no longer be eligible for post graduate work permits upon graduation.
- ▶ Graduates of master's and other short graduate-level programs will soon be eligible to apply for a 3-year work permit. Under the current criteria, post graduate work permits (PGWPs) are issued based on the duration of the individual student's program of study. The exact date this comes into effect to be announced.
- ▶ Open work permits will no longer be made available to spouses of international students, unless the



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student is enrolled in a master's program, a doctoral program as well as some professional occupations programs of study. The exact date this comes into effect to be announced.

The following groups are exempt from the cap:

- ▶ International students pursuing master's and doctoral programs
- ▶ Elementary and secondary school level education
- ▶ Study Permit holders already in Canada
- ▶ Study Permit holders currently in Canada seeking to extend their existing study permits

#### What this means

As the number of international students in Canada starts to decrease and rules around work eligibility change, employers may start to see an impact on the labor market. There will likely be fewer foreign nationals with open work permits that are generally available in the Canadian labor market over time. Employers should also be aware that full-time students will no longer be permitted to work in excess of 20 hours per week (during school session) as of 1 May 2024, unless the current public policy is extended.

Should you have any questions with respect to these new measures, please do not hesitate to contact your EY Law LLP professional.

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