

**Immigration**

# The high cost of Canada's refugee system | Sergio R. Karas

By **Sergio R. Karas**

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(March 13, 2023, 1:20 PM EDT) -- Canada is known for its commitment to welcoming refugees and providing a haven for those fleeing persecution and conflict. The country has a long-standing tradition of accepting refugees and has been praised for its humanitarian efforts. However, Canada's refugee system comes at a very high cost; it is slow, inefficient and risks being overwhelmed by a tidal wave of claims because of failed federal government policies.

According to a report from the Parliamentary Budget Officer, in 2019, the federal government spent \$1.4 billion on resettling refugees. This includes costs associated with processing and adjudicating claims, providing social and settlement services and housing and financially supporting refugees once they arrive in Canada. The report notes that these costs have been steadily increasing over the years, with an average annual growth rate of 20 per cent from 2015 to 2019. This rate of increase is unsustainable.

For the fiscal year 2022-2023, the budget of the various programs to process and support refugees is astronomical. The Immigration and Refugee Board (IRB) budget is \$282 million. The IRB is responsible for determining the validity of refugee claims. Its acceptance rates are hovering over 55 per cent, and yet its inventory stands at over 70,000 cases and is growing steadily. While acceptance rates vary for each country of alleged persecution, the overall rate is one of the highest in the world. The inventory reductions that the IRB managed to achieve prior to 2021 are quickly disappearing because of the post-pandemic border reopening that has resulted in an increasing number of claims.

In addition to the IRB budget, there are other federal expenditures directed at refugees: \$106 million for the resettlement of Afghan refugees; \$83 million for the Interim Federal Health Program to cover health care for refugee claimants; \$2.4 million for "Venezuelan migrant and refugee crisis"; and a whopping \$173 million for the Interim Housing Assistance Program to help refugee claimants find accommodation.

These figures do not include the expenditures associated with the Canada-Ukraine Travel Authorization (CUAET) that has allowed close to 200,000 Ukrainian citizens to travel to Canada, obtain temporary status and a Work Permit. According to the Quarterly Fiscal Update released by Immigration Refugees and Citizenship Canada on Feb. 23, 2023, additional funding of \$223 million has been budgeted for the program. Each adult applicant under CUAET can receive a grant of \$3,000 and \$1,500 per child almost automatically.

Refugee claimants can also obtain legal aid from the provinces. Legal Aid Ontario's 2021-2022 Annual Report shows that the average cost of completed certificates totalled \$2,204 per case. The report also discloses that Legal Aid received \$36.7 million in government funding, \$4.9 million of which was used for immigration and refugee cases.

The high cost of Canada's refugee system is also due to the significant resources required to process and adjudicate claims. This involves determining whether an individual meets the legal definition in the 1951 *United Nations Convention on the Status of Refugees* and assessing their eligibility for

protection. Canada has significantly expanded the grounds of protection to include, for example, sexual orientation, which has resulted in more claims. Even after an initial rejection, there are multiple avenues of appeal and review. The sheer volume of claims and the multiple layers of review has contributed to extended processing times, which exacerbate the burden on the system. It may take several years for a claim to be finalized.

Against this background, it is not surprising that the number of refugee claims in Canada has increased in recent years. In 2019, Canada received over 63,000 claims, which is the highest number in over three decades. This has resulted in long wait times for legitimate refugees, which can impact their mental health and well-being, while at the same time, it is being exploited by those with bogus claims as an easy way to delay potential deportation.

Another cost associated with Canada's refugee system is the strain on social and settlement services. Once refugees arrive in Canada, they require a range of settlement services, including housing, language training and assistance with finding employment. These services are provided by federal, provincial and territorial governments and non-governmental organizations. While these services are essential for helping refugees integrate into Canadian society, they also come at a very high cost.

The demand for settlement services has increased in recent years. The increase has put pressure on settlement services providers, who struggle to keep up with the demand. The COVID-19 pandemic further complicated the provision of settlement services, with many programs being suspended or modified to comply with public health guidelines.

The federal government's failure to prevent irregular border crossers who enter Canada after having spent years in the United States illegally and those using their U.S. visitor visas to present themselves at the border is encouraging unfounded claims to gain access to Canada, collect social assistance and other benefits intended for legitimate asylum seekers. This undermines public confidence and is already creating significant pushback from the provinces, especially from Quebec, as the border crossers overwhelm affordable housing and social services.

The refugee determination system is in danger of collapsing unless the federal government implements urgent reforms to prevent it from being used as a secondary migration stream by those who do not qualify for other immigration programs or simply wish to take advantage of the system.

The crisis situation in the U.S. southern border should give Canadian authorities cause for concern: unless the *Safe Third Country Agreement* loopholes are closed immediately, part of the gargantuan number of asylum seekers entering the U.S. daily will start flowing north to irregular border crossings, lured by unscrupulous individuals, and by the promise of easy acceptance, free health care and government benefits. A possible crackdown on illegal migrants in the U.S. will inevitably result in many fleeing to Canada to avoid deportation. This will further erode public support for legitimate refugees, cost the taxpayers billions of dollars, and exacerbate the housing crisis.

The time for reform is now.

*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, and past chair of the International Bar Association Immigration and Nationality Committee. He can be reached at karas@karas.ca. The author acknowledges the contribution to this article by Lina Siddiqui, student-at-law.*

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