

# Nine considerations for HR leaders in 2025

- Political, economic, demographic and other factors make immigration a key priority that Chief Human Resources Officers must proactively address to maintain operations and support sustainable growth.
- Across Canada, HR leaders who focus on immigration now can help differentiate their organizations' top- and bottom-line results in 2025 and beyond.

Immigration is a critical talent issue and has become a hotbutton topic for business leaders, including Canada's Chief Human Resources Officers (CHROs). Political, economic and other shifts – including new federal government announcements in November – are driving immigration up the HR priority list and creating a need for CHROs to redouble their focus on this space. Doing so proactively can actually help CHROs set organizations apart in a sea of competition, fuelling sustainable talent recruitment, acquisition and retention in the years ahead.

### What kinds of drivers are reshaping immigration for Canada's HR leaders?

Political and economic factors add to the complexity of attracting and retaining international talent, impacting the relative ease of maneuvering through, and complying with, immigration laws.

Just last month, the <u>Canadian government announced</u> a significant reduction in targets both for newly admitted permanent and new temporary residents – workers and students – for 2025 and 2026.

Illustrating the importance of immigration in Canada, these reductions alone are expected to lower Canada's population by 0.2% in 2025 and again in 2026 and are expected to impact businesses' access to international talent.

This evolving reality has given CHROs a lot to address all at once. That said, where should you begin?



At EY, we recommend CHROs consider nine key factors to prepare for 2025 and strengthen talent recruitment for the future:



# Reframe immigration as a strategic driver of exceptional employee experiences.

In Canada, immigration policy is transforming quickly. That's influencing HR's ability to capitalize on immigration support as a factor that can help cultivate a distinctive employee experience, one that's capable of attracting and retaining top talent.

There's a lot of geopolitical instability these days. Promoting Canada's relative economic, social and political stability is a smart way to attract and retain top talent and fill skills and labour gaps. Organizations that think ahead and evolve the employee value proposition to align with the current immigration landscape can set themselves apart in the eyes of a discerning workforce.

#### Take action now

Assess how immigration has been woven into employee experience in the past and refresh policies, programs and offers to better reflect today's increasingly complex immigration reality. As part of this process, think broadly to consider the employee and their family. This can also contribute to a positive and differentiated employee experience.

## Don't assume what you knew about immigration last month is still current today.

With so much information emerging every day, it's not easy for CHROs to stay on top of every new development in immigration. But doing so is a real business imperative. Keep well connected to your immigration counsel to help you stay abreast of the ever-changing landscape. What's more: sharing that information strategically within the HR function and across the C-suite generates value and enables functional groups and leaders to make better, more strategic decisions grounded in updated information.

#### Take action now

Establish a regular means of accessing monthly updates through automated alerts or channels and add an ongoing agenda item to leadership meetings, network calls or other channels. Keeping people informed can catalyze progress.



### 3

### Stay current on headlines, especially across heat zones for your specific organization.

No CHRO is expected to double as a political scientist. That said, maintaining a high-level understanding of how geopolitical events – think social unrest, conflict, climate, politics and more – and macroeconomic forces are reshaping talent dynamics can be empowering. This information can help you proactively identify and address potential risks to talent acquisition or international operations. Laser-focusing on the top regions where disruption is most likely to affect your business enables you to effectively manage this information.

#### Take action now

- Choose news sources strategically. Then adapt policy updates to include a standing update on geopolitical forces, potential talent risks and proposed steps the organization can take to bolster talent-related functions.
- Stay connected to your company's staff security function, if available. Quick movement of people across international borders in times of crisis requires immigration enablement, among other things.

# 4

### Maintain an always-on understanding of your talent situation.

The pathway to permanent residence is no longer as clear as it once was. What's more, it often represents a longer process than in the past. That puts talent at risk, particularly for businesses in Canada with critical teams and talent that are also visa dependent.

For example, a CEO who is in Canada on a work permit or a factory workforce that comprises a large contingent of temporary foreign workers. To protect the business against sudden shifts or changes in policy that may impact these essential groups, you must understand where vulnerabilities lie.

#### Take action now

Draw up a roadmap of talent and teams whose ability to work in Canada may be affected by changes in immigration policy. With that information, you can systematically address priorities, like initiating a permanent residence application as early as possible for a key stakeholder. You'll also want to focus on the reverse, thinking through mobility programs and identifying potential trouble spots early.



# 5

### Review growth goals now so you can align recruitment efforts accordingly.

Considering the organization's overarching business goals and expansion plans is always a good idea. You want to be thinking ahead about the viability of recruiting and retaining talent in the areas of the world where the business expects to ramp up operations in the months and years ahead.

The recent EY Workforce Reimagined survey found the US continues to be an important source country for talent. With the recent US election results, there has been talk of the Canada-US-Mexico Agreement (CUSMA) being renegotiated. So the question becomes – perhaps prematurely at this stage – to what degree will this impact a Canadian business's ability to recruit talent from the United States.

#### Take action now

Overlay business priorities against existing workforce capabilities to highlight geographies where you may need to increase the recruitment focus in the short or long term. Doing this even before hiring is required can be a strategic driver, enabling your organization with a longer runway to understand the nuances of recruiting and hiring in specific areas, and tackling priorities sooner.



### Explore how intracompany transfers into Canada may be affected.

You may not need an overview of every single transfer in the works. But many businesses have relied heavily on intracompany transfers to bring people into Canada in recent years. And evolving policy shifts are making that more difficult than in the past. You may not have the same access to your company's international talent as you did before.

#### Take action now

Get clear on what's changed policy wise and review the business's plans to spot talent needs. You may need to plan differently to help the business realize talent acquisition goals. Having more insight and time to address this area can help.



# Use technology and data to gain strategic insight.

Make sure your organization is using – or working with an organization that uses – immigration technology to track key metrics. For example, cycle time from offer acceptance through visa process to onboarding allows you to see trends over time and gives you critical intelligence needed to get the right people to the right place at the right time.

#### Take action now

Organize your team, resources and capabilities to track data and better manage your current immigrationdependent population. This allows you to avoid challenging employment gaps due to immigration circumstances.

Consider how federal and provincial caps on foreign students may impact your workforce going forward.

Organizations across Canada rely on foreign students as an important source of new talent to staff operations from coast to coast to coast, especially considering the historic availability of three-year, post-graduation work permits that most foreign students have been able to obtain.

As government enforces new caps on the number of foreign students able to study in Canada and restricts programs of study for which post-graduation work permits are available, CHROs should double check how reduced access to this flexible talent pool could affect recruitment, staffing and business operations. This should be a focus area for CHROs across industries, Canada wide.

#### Take action now

Communicate openly and frequently with your talent acquisition team and the business to fully understand their talent-sourcing practices. Start planning now for reduced access to younger international students graduating from Canadian schools, as this population will be decreasing over the coming years.



### Adapt compliance frameworks to meet changing needs in 2025 and beyond.

Immigration can represent a considerable part of an organization's overall talent strategy. As CHRO, you should know that compliance becomes more complex as the pathways to immigration become narrower and think strategically about what that means for your workforce and bottom line.

#### Take action now

Work across functional teams to develop an integrated immigration policy. Your approach should factor in both how the business wants to support employees and which levers the organization will use to address immigration issues as part of the overarching talent strategy.



Moving immigration higher up the priority list should be a burning priority for Canada's CHROs. Addressing these nine key areas now can help leaders set the business up for success in the new year — and well into the next decade — as disruptive forces are poised to continue shaking up what we once knew about immigration and talent mobility.



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#### Questions? Let's connect

#### **Batia Stein**

Managing Partner +1 416 943 3593 batia.j.stein@ca.ey.com

#### Jonathan Leebosh

Partner +1 604 899 3560 jonathan.e.leebosh@ca.ey.com

#### Roxanne Israel

Partner +1 403 206 5086 roxanne.n.israel@ca.ey.com

#### Stephanie Lipstein

Partner +1 514 879 2725 stephanie.lipstein@ca.ey.com