



Immigration and Refugee Board of Canada Quarterly Financial Report for the quarter ended June 30, 2023

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Introduction

This quarterly financial report has been prepared by management as required by section 65.1 of the Financial Administration Act and in the form and manner prescribed by the Treasury Board. This report is consistent with the 2023 to 2024 Main Estimates and the 2023 to 2024 Departmental Plan. The report has not been subject to an external audit or review.

The Immigration and Refugee Board (IRB) is an independent, accountable administrative tribunal established by Parliament on January 1, 1989, to resolve immigration and refugee cases fairly, efficiently and in accordance with the law. The IRB ensures continued benefits to Canadians: by adjudicating refugee claims in accordance with international obligations and Canadian law; by contributing to the integrity of the immigration system, the safety and security of Canadians and upholding Canada's reputation of justice and fairness for individuals; and promoting family reunification. The IRB also contributes to the quality of life of Canada's communities by strengthening our country's social fabric and by reflecting and reinforcing core values that are important to Canadians. These include respect for human rights, peace, security, and the rule of law.

A summary description of the IRB's programs can be found in the [2023 to 2024 Departmental Plan](#).

Basis of presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the IRB's spending authorities granted by Parliament and those used by the IRB in a manner consistent with the 2023 to 2024 Main Estimates. This quarterly report has been prepared using a special purpose financial reporting framework designed to meet financial information needs with respect to the use of spending authorities.

The authority of Parliament is required before money can be spent by the Government. Approvals are given in the form of annually approved limits through appropriation acts or through legislation in the form of statutory spending authority for specific purposes.

When Parliament is dissolved for the purposes of a general election, section 30 of the *Financial Administration Act* authorizes the Governor General, under certain conditions, to issue a special warrant authorizing the Government to withdraw funds from the Consolidated Revenue Fund. A special warrant is deemed to be an appropriation for the fiscal year in which it is issued.

The IRB uses the full accrual method of accounting to prepare and present its annual departmental financial statements that are part of the departmental performance reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

Highlights of fiscal quarter and fiscal year-to-date (YTD) results

This section highlights the significant items that have contributed to the net increase or decrease in use of financial resources available and actual expenditures for the year and for the quarter ended June 30, 2023, in comparison to the prior year.

Year to date, the total budgetary authorities available for use of \$331.7 million reflects the 2023 to 2024 Main Estimates, which is \$49.2 million above the same period in the previous fiscal year. This increase is mainly due to the temporary funding provided in Budget 2022 and reprofiled amount from previous years. Other items, including Ukrainian settlement measures, account for the total increase.

In the quarter ended June 30, 2023, the IRB spent \$67.7 million, which is \$7.3 million or 12% higher than the \$60.4 million spent in the same quarter the previous year. This increase is mainly due to higher

personnel and associated support costs incurred due to the hiring of additional staff to increase capacity to process refugee claims. There is a notable increase in rentals attributed to higher software licensing and maintenance costs, and timing of payment. These cost increases are driven by the growth in requirements supporting asylum claim processing.

The following table provides explanations of significant changes in expenditures compared to the previous fiscal year by standard object:

Standard object	Highlights of program expenditures	Variance between 2023 to 2024 Q1 YTD and 2022 to 2023 Q1 YTD expenditures (in thousands of dollars)
Personnel	The increase is due in part to an increase of salary cost but primarily to additional personnel hired to increase capacity to process refugee claims.	3,791
Rentals	The increase is attributed to extra requirements in software licensing and maintenance to support the FTEs growth related to the increase capacity of processing additional refugee cases, and timing of payment.	1,897
Professional and special services	The increase in spending is mainly due to additional requirements for interpreters and translation services to support the finalization of refugee claims and to other professional services resulting from the ongoing changes in operational processes.	786

Risks and uncertainties

In recent years, the IRB has experienced significant growth, the largest in its 34-year history, during which time the Board has doubled in size. At the end of fiscal year 2022 to 2023, the IRB launched a human resources growth strategy to meet the Board's commitment to finalize 10,000 additional cases over a 2-year period (2023 to 2024 and 2024 to 2025) using temporary funding provided in Budget 2022.

There are a number of key risks related to achieving results:

- Despite the Board's recent growth, there is an ongoing risk of a constrained supply of human capital (e.g., corporate services employees, adjudicative support employees, and decision-makers) which may prevent the IRB from meeting operational targets regarding the resolution of refugee claims and immigration cases and appeals.
- The IRB's projected intake volumes for the coming years are well beyond the Board's annual processing capacity for finalizations. If intake outpaces funded capacity, there is a risk of delayed staffing and training, resulting in a return to significant backlogs and wait times.
- Higher volumes paired with the finite capacity of external service providers such as counsel (lawyers and immigration consultants), designated representatives and interpreters could result in challenges and additional pressures, which may lead to lost productivity and a decrease in quality representation.

- The IRB remains committed to maintaining strong collaboration with its external partners and service providers, stakeholders, and portfolio organizations to align priorities and address capacity challenges. If priorities are not aligned across the immigration and refugee system or with enabling partners, organizational growth and achievement of operational targets may be impeded or delayed.

To mitigate these risks, the IRB will build on its strategic priorities from the [2023 to 2024 Departmental Plan](#). The Board has implemented controls to reduce the impact of risks and uncertainties related to the constrained supply of human capital. As such, the Board has a recruitment plan in place aligned with available resources to ensure IRB targets are met.

The Board will further advance its multi-year Digital Strategy to help increase efficiency and improve its case management processes from intake to decision. The IRB will also continue to leverage its [Quality Assurance Framework for Decision-Making](#) to improve the quality and consistency in its decision-making.

Significant changes related to operations, personnel and program

As announced by the government in Budget 2022, fiscal year 2023 to 2024 marked the first year of transition from temporary to permanent funding of \$150 million annually. This permanent funding has stabilized the Board's budget and workforce and has helped ensure the stability and integrity of Canada's asylum system. In addition, the Budget 2022 provided access to temporary investments over a two-year period totaling \$87 million to meet the forecasted rise in asylum claims. The IRB will continue to work with government central agencies and Canada Border Services Agency and Immigration, Refugees, and Citizenship Canada to advance system-wide efficiencies and to develop funding strategies that allow for flexibility within the asylum system, taking into consideration changes to the operating environment.

The IRB has continued to rely on virtual hearings, introducing more flexibility to access in-person hearings across its divisions. The Board's approach to virtual hearings was confirmed to be highly effective by third-party reviews, stakeholder feedback, and post hearing surveys. To help identify the impact of IRB virtual hearings on access to justice, BVC Cyberjustice Group was mandated to assess stakeholders' sense of access to justice during these virtual hearings, as well as to make recommendations aimed at improving them in the future. Based on the data gathered from the survey, Cyberjustice concluded that most respondents who took part in virtual hearings using MS Teams had a strong sense of access to justice. Cyberjustice also made a series of recommendations to further increase access to justice for participants. The IRB has committed to various actions to fulfill these recommendations, as outlined in the Management Response and Action Plan.

On June 13, 2023, the IRB issued an update to its practice notice related to scheduling ([Practice Notice: Scheduling of virtual, hybrid, and in-person hearings at the IRB](#)) that was originally published on September 20, 2022. The updated practice notice came into effect immediately, for hearings scheduled on or after Tuesday, September 5, 2023.

In December 2022, the Treasury Board of Canada Secretariat (TBS) released direction on the common hybrid workplace model. The IRB had prepared its offices, aligned its guidance and various accommodations and technology processes to ensure a safe, secure return to the workplace by March 31, 2023. This new approach requires a minimum number of days in the office for employees and has involved many operational changes during the first quarter. The Board remains committed to handling return to work transition challenges as they arise and protecting the health and safety of its employees and those who appear before it, while maintaining access to justice.

Between April 19 and May 1, 2023, represented employees from the Public Service Alliance of Canada's (PSAC) Program and Administrative Services group withdrew their services which slowed the claim processing and affected operational processes.

The IRB started to prepare for the transition from Peoplesoft to MyGCHR, with the complete migration scheduled for May 2024. MyGCHR, which is a government-wide people management system, will standardize HR processes and streamline common tasks, enabling a more consistent approach to people management across the Public Service.

The following changes to senior personnel haven taken place since the last report:

- Upon the retirement of IRB Chairperson, Richard Wex, the Minister of Immigration, Refugees, and Citizenship Canada announced the appointment of Manon Brassard as the new Chairperson of the Immigration and Refugee Board of Canada as of July 23, 2023.

Any changes resulting from changes to Ministry, as announced July 26, 2023 will be reflected in subsequent quarterly reports.

Attestation

The original version was signed by

Manon Brassard
Chairperson
Ottawa, Canada

Roger Ermuth
Chief Financial Officer

Date

August 28, 2023

Statement of authorities (unaudited)

Authorities (in thousands of dollars)	Fiscal year 2023 to 2024			Fiscal year 2022 to 2023		
	Total available for use for the year ending March 31, 2024	Used during the quarter ended June 30, 2023	Year to date used at quarter end	Total available for use for year ending March 31, 2023	Used during the quarter ended June 30, 2022	Year to date used at quarter end
Vote 1 - Net operating expenditures	300,085	59,815	59,815	254,884	53,461	53,461
Budgetary statutory authorities	31,617	7,904	7,904	27,594	6,898	6,898
Total budgetary authorities	331,702	67,719	67,719	282,478	60,359	60,359
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Departmental budgetary expenditures by standard object (unaudited)

Expenditures (in thousands of dollars)	Fiscal year 2023 to 2024			Fiscal year 2022 to 2023		
	Planned expenditures for the year ending March 31, 2024	Expended during the quarter ended June 30, 2023	Year to date used at quarter end	Planned expenditures for the year ending March 31, 2023	Expended during the quarter ended June 30, 2022	Year to date used at quarter end
Personnel	239,626	56,018	56,018	211,556	52,227	52,227
Transportation and communications	6,618	249	249	4,579	152	152
Information	857	170	170	658	121	121
Professional and special services	52,479	7,101	7,101	34,841	6,315	6,315
Rentals	8,583	2,483	2,483	5,739	586	586
Repair and maintenance	14,905	665	665	15,525	281	281
Utilities, materials and supplies	913	110	110	951	92	92
Acquisition of land, buildings and works	-	-	-	-	-	-
Acquisition of machinery and equipment	7,698	802	802	8,579	391	391
Other subsidies and payments	23	121	121	50	194	194
Total gross budgetary expenditures	331,702	67,719	67,719	282,478	60,359	60,359
Total net budgetary expenditures	331,702	67,719	67,719	282,478	60,359	60,359