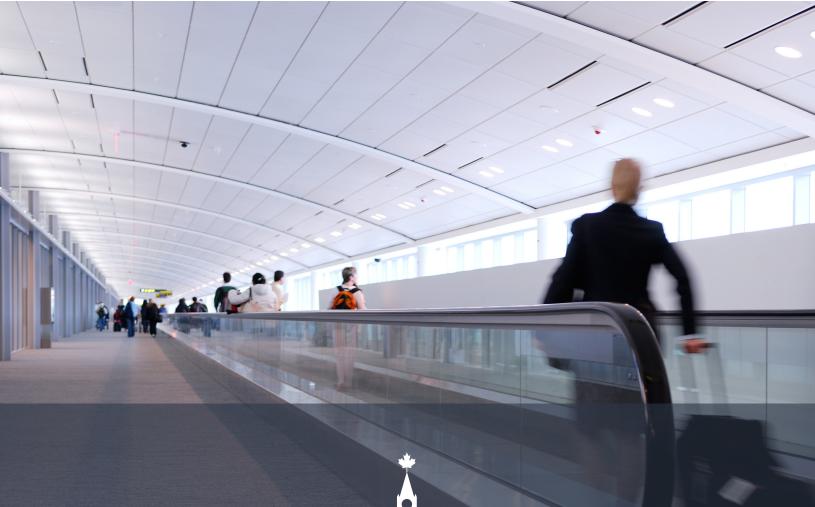
Costing Asylum Claims from Visa-Exempt Countries





OFFICE OF THE PARLIAMENTARY BUDGET OFFICER BUREAU DU DIRECTEUR PARLEMENTAIRE DU BUDGET The Parliamentary Budget Officer (PBO) supports Parliament by providing economic and financial analysis for the purposes of raising the quality of parliamentary debate and promoting greater budget transparency and accountability.

In response to parliamentary interest, PBO prepared an estimate of the total costs to the federal government associated with asylum claimants who have arrived from visaexempt countries. This report presents an average unit cost per asylum claimant, based on the costs associated with the federal government organizations involved in the asylum process.

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Highlights

Since 2017, the first full year of Electronic Travel Authorization (eTA) implementation, the number of asylum claimants increased by 185% (with an average annual increase of 49%). At the same time, the proportion of asylum claimants whose last approved temporary resident application was an eTA has increased from 7% (3,500) in 2017 to an all-time high of 21% (19,155) in 2022 and reaching 19% (27,035) in 2023.

PBO estimates that the average cost for each asylum claimant arriving with an eTA over the entire asylum claim process, which can span multiple fiscal years, is \$16,500 in 2024.

Accounting for organizational capacities, the cost associated with claimants who have arrived in Canada with an eTA before January 1st, 2024, but who have not received the final decision is estimated to be \$455 million over the 5-year processing period. This excludes all claims made after that date, for which decisions (and costs) will also be required.

Summary

Since 2016 the number of asylum claimants has been rising and it has reached an alltime high of 144,860 claims in 2023.¹ Asylum claimants who arrive in Canada with an Electronic Travel Authorization (eTA) are the fastest growing group when compared to claimants with other types of authorizations to enter Canada (such as visas).

In response to parliamentary interest, PBO prepared a cost per asylum claimant arriving to Canada with an eTA, as well as the total cost associated with processing the inventory of asylum claimants who arrived in Canada with an eTA before January 1st, 2024.² This cost estimate includes only the variable costs associated directly with claim processing as well as the federal programs that support asylum seekers.

The asylum claim process is a complex multi-step process. Therefore, the overall cost will vary depending on the number of steps before a final decision is obtained as well as on the expected wait times at each step. PBO estimates that the average cost for each asylum claimant arriving with an eTA is \$16,500 in 2024, with a range of \$9,055 to \$40,814 (depending on the number of appeals before a final decision). Accounting for organizational capacities, the cost associated with the inventory of claimants who have arrived in Canada with an eTA before January 1st, 2024, but who had not received the final decision by that date is estimated to be \$455 million over five years.

Background

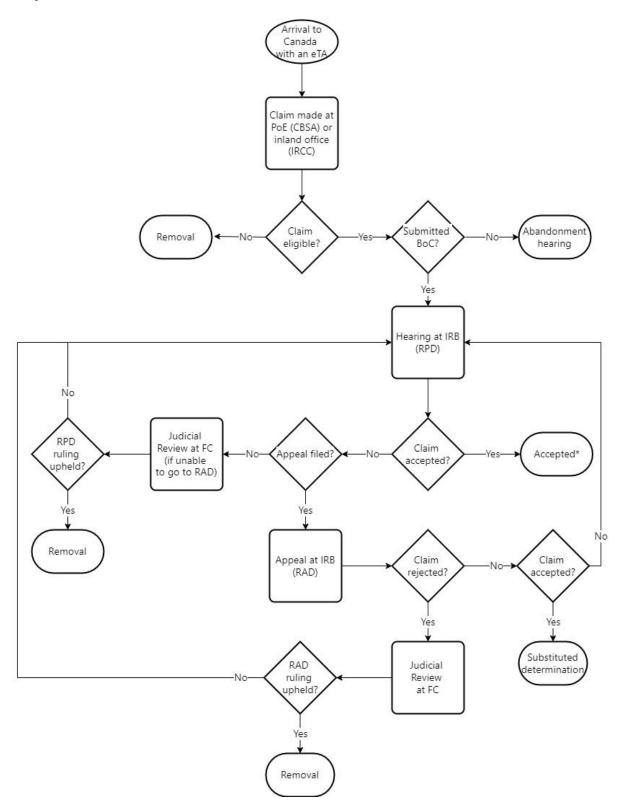
Asylum Process

A refugee protection claim can be made at any port of entry upon arrival in Canada, or at an inland office.³ If the officer deems the refugee claim eligible, they will issue a basis of claim form, which needs to be completed within 15 days and submitted to the Immigration and Refugee Board's (IRB) Refugee Protection Division (RPD).⁴

Next, a claimant will submit all relevant evidence to support their claim at the RPD hearing. If the IRB accepts the claim, the claimant will be granted protected person status in Canada. If the IRB rejects the claim during the RPD hearing, the claimant will have to leave Canada or explore other options, such as appealing the decision to the IRB's Refugee Appeal Division (RAD) or applying for the Judicial Review with the Federal Court (FC).^{5,6}

If the claimant is facing removal from Canada, they may apply for a Pre-Removal Risk Assessment (PRRA) if they believe there is a risk to life, or of cruel and unusual treatment or punishment upon the return to their country.

Figure 1 Asylum Process Flowchart



Source: Office of the Parliamentary Budget Officer. Note: PoE: Port of Entry CBSA: Canada Border Services Agency IRCC: Immigration, Refugees, and Citizenship Canada BoC: Basis of Claim IRB: Immigration and Refugee Board RPD: Refugee Protection Division RAD: Refugee Appeal Division FC: Federal Court *Minister may appeal the decision to RAD

Electronic Travel Authorization

In 2016, the Government of Canada introduced the Electronic Travel Authorization (eTA) program. Foreign nationals from visa-exempt countries travelling by air are required to obtain an eTA to travel to Canada for short stays.⁷ Visa-exempt nationals do not need to obtain an eTA when arriving by car, bus, train or boat (including a cruise ship). Under certain conditions citizens from select visa-required countries may be eligible to apply for an eTA, instead of a visa, to travel to Canada by air.⁸ The application for eTA requires a \$7 fee and is completed online, with most applications being approved within minutes.

Since 2017, the first full year of eTA implementation, the number of asylum claimants increased by 185% (with an average annual increase of 49%).

The proportion of asylum claimants whose last approved authorization to enter Canada was an eTA has increased from 7% in 2017 to an all-time high of 21% in 2022 and reaching 19% in 2023.

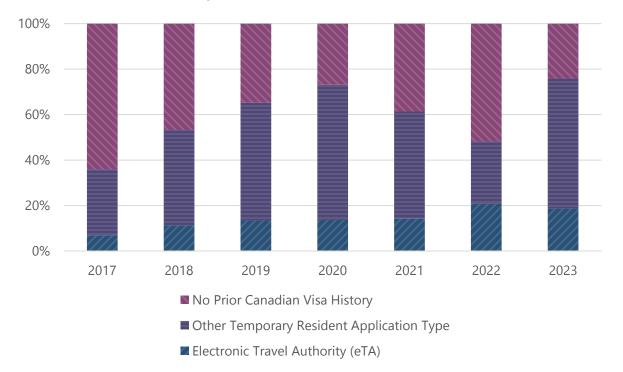
Table 1Total Asylum Claims Received by Type of Authorization andAsylum Claim Year

Asylum Claim Year	2017	2018	2019	2020	2021	2022	2023	Increase from 2017 to 2023	Average Y/Y increase from 2017 to 2023
Electronic Travel Authorization (eTA)	3,500	6,195	8,640	3,235	3,575	19,155	27,035	672%	90%
Other Temporary Resident Application Types	14,840	23,150	33,195	14,140	11,860	25,310	82,890	459%	61%
No Visa	32,555	25,840	22,340	6,375	9,715	47,850	34,935	7%	52%
Total	50,895	55,185	64,175	23,750	25,150	92,315	144,860	185%	49%

Source:

Immigration, Refugees and Citizenship Canada

Figure 2 Proportion of Total Asylum Claims Received by Type of Authorization and Asylum Claim Year



Source:

Office of the Parliamentary Budget Officer using data from Immigration, Refugees and Citizenship Canada

Cost Analysis

The costing methodology used in this section relies on variable asylum processing costs that fluctuate based on the number of claimants. It does not include fixed costs such as program management and infrastructure, which are incurred regardless of the number of claimants.

PBO estimates that the average cost for each asylum claimant arriving with an eTA is \$16,500 in 2024.⁹ This was calculated based on the probability of a claimant appearing at each step of the asylum process and the average variable cost associated with that step. If the involved organization tracked the last approved temporary resident status of the claimant, the take-up rate for the respective step was calculated using applicants arriving in Canada with an eTA only.¹⁰ The costs associated with each step of the asylum process are assumed to be the same regardless of the last approved temporary resident status. Further, the costs of federal programs supporting asylum seekers have been included in this cost estimate.^{11,12} Fluctuations in wait times due to the complexity of the multi-step asylum claim process and the number of claimants already in the system can cause a significant variation in the future per-claimant cost to the federal government.

We have also determined the average cost of applications where a claimant receives a favourable ruling at the first RPD hearing where there is no appeal of the decision, as well as a higher-cost scenario where an individual deemed to not be a refugee exhausts all appeal procedures before being removed from Canada.¹³

Table 2

Per Claimant Cost (2024 dollars)

Scenario	Low-cost*	Average-cost**	High-cost***
Cost	9,055	16,500	40,814

Source:

Office of the Parliamentary Budget Officer.

Note:

The cost is reported in 2024 dollars even though the process may last several years.

* Low-cost scenario assumes that a claimant receives a positive decision after the initial RPD hearing. All subsequent steps of the asylum process are assumed to have a zero probability. Wait time is assumed to be 1.5 years.

** Average-cost scenario assumes average probability for all the steps of the asylum process. Wait time is assumed to be 3.5 years.

*** High-cost scenario assumes that a claimant has two RPD hearings, two RAD hearings, applies for preremoval risk assessment (PRRA), and eventually gets removed. All the other steps of the asylum process are assumed to have average probability. Wait time is assumed to be 6 years.

The total cost of processing asylum claims of applicants who have arrived in Canada with an eTA before January 1st, 2024, and whose claims have already been deemed eligible but who have not yet received a final decision is estimated to be \$455 million.¹⁴ Accounting for the multi-step asylum process and organizational capacities, these claims are expected to take up to five years to be processed, with annual costs decreasing as more claimants receive a final decision.

Federal support for asylum seekers

The federal government provides direct support to asylum seekers through different programs:

- 1. Interim Housing Assistance Program (IHAP) supports provinces and municipalities, on a cost-sharing basis, in providing housing such as shelters, hotel rooms or other interim housing arrangements.
- 2. Interim Federal Health Program (IFHP) bridges a gap in healthcare coverage for refugees and asylum claimants until they qualify for provincial or territorial insurance.
- 3. Legal Aid Program assists asylum claimants with legal costs related to their claim, such as preparing and representing them at hearings before the IRB and appeals in the asylum process.

There are other programs that indirectly support provincial services for asylum claimants such as the Canada Social Transfer (CST) and the Canada-Quebec Accord.

Table 3Total Cost of Processing Existing Asylum Claims by year in millionsof dollars

Year	2024	2025	2026	2027	2028	Total
Total	148	122	90	76	20	455

Source:

Office of the Parliamentary Budget Officer.

Note:

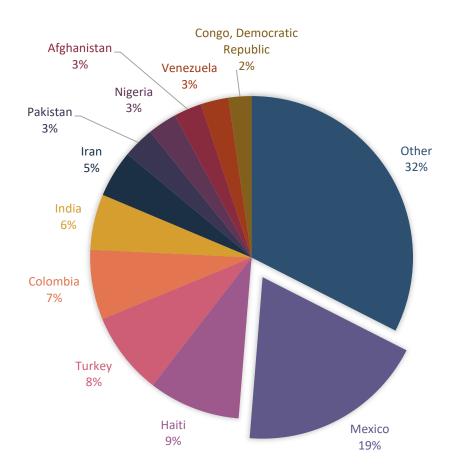
Totals may not add up due to rounding.

This calculation does not account for any new claims that will be made in these years.

Appendix A: Uncertainty

In response to an increase in asylum claims made by Mexican citizens that are refused, withdrawn, or abandoned, the Government of Canada updated travel requirements for Mexican citizens coming to Canada.¹⁵ As of February 29, 2024, only Mexican citizens who hold a valid US non-immigrant visa or have held a Canadian visa in the past 10 years and are travelling by air on a Mexican passport will be able to apply for an eTA.¹⁶ Those who do not meet this requirement will need to apply for a Canadian visitor visa. Given that asylum claimants whose country of alleged prosecution is Mexico are the largest portion of recent asylum claims, this could significantly impact future processing times, as well as the backlog, and therefore affect the per-claimant cost.

Figure A-1 Proportion of asylum claimants referred to Refugee Protection Division by country of alleged prosecution in 2023



Source:

Office of the Parliamentary Budget Officer using data from Immigration and Refugee Board of Canada.

Notes

¹ With the exception of 2020 and 2021 years in which the number of asylum claimants dropped due to Covid-19 before returning to the general positive trend.

² In 2018 PBO published a similar <u>report</u> estimating the cost associated with irregular migration across Canada's southern border.

³ Under the <u>Safe Third Country Agreement</u>, refugee claimants are required to request refugee protection in the first safe country they arrive in (unless they qualify for an exception). Therefore, individuals entering Canada from the United States to make an asylum claim will be temporarily sent back to the United States. In addition to that, a claim is considered ineligible if the claimant has made a refugee claim in Canada before, or has been granted refugee protection by another country, or is inadmissible on certain criminality or security grounds.

⁴ The officer will also issue a refugee protection claimant document (RPCD), which will help the claimant access the Interim Federal Health Program and other services in Canada, and a confirmation of referral letter, which confirms that the claim has been referred to the Immigration and Refugee Board (IRB).

⁵ Claimants cannot appeal to RAD in the following cases: if the claimant is a designated foreign national; if the refugee protection claim was withdrawn or abandoned; if the RPD's decision says the claim has no credible basis or is manifestly unfounded; if the claim was made at a land border with the United States and the claim was sent to the RPD as an exception to the Safe Third Country Agreement; if the Minister applied to cease (stop) the claimant's refugee protection, and the RPD's decision allows that application; if the Minister applied to vacate (cancel) the decision to allow refugee protection claim, and the RPD's decision allows that application; or if the claim was sent to the IRB before December 15, 2012.

⁶ Claimants can ask the Federal Court (FC) to review the decisions of the Refugee Appeal Division and the Refugee Protection Division. The FC can agree with the IRB's original decision (claimant will have to leave Canada) or return the claimant's case to the IRB for reconsideration.

⁷ An eTA allows eligible foreign nationals to travel to Canada by air but doesn't allow them to work or study.

⁸ <u>Electronic Travel Authorization (eTA): requirements for citizens from some visa-required countries</u>.

⁹ This does not represent the cost per year, but the average total per-claimant cost over the entire asylum claim process, which can span multiple fiscal years.

¹⁰ In some instances, the country of origin of the claimant or country of alleged prosecution was used as a proxy for last approved entry authorization. Specifically, if the claimant's country of origin is among the eTA eligible countries it was assumed that the last entry authorization was an eTA.

¹¹ The costs of federal programs that do not support asylum claimants directly (such as the Canada Social Transfer and the Canada-Quebec Accord) were excluded from the cost estimation due to the difficulty of estimating what portion of these programs is spent on asylum claimants.

¹² For the purposes of this report, PBO assumes that the federal government will maintain the same level of support (on a per-claimant basis) through the Interim Housing Assistance Program (IHAP).

¹³ The probability of a high cost scenario occurring is low.

¹⁴ This cost does not include costs associated with initial eligibility and security screening that is usually performed at the time the claim is made.

¹⁵ <u>Updated travel information for Mexican citizens coming to Canada</u>.

¹⁶ Before February 29, 2024, all Mexican citizens were able to arrive in Canada by air with an eTA and no additional requirements. Now Mexico is among 15 countries whose citizens can fly to Canada on an eTA, instead of a visa, only if they meet certain requirements.

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