Global Mobility in the Wake of U.S. Order to Ban the Entry of Foreign Workers to the United States

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In late June, the U.S. government enacted an order that prohibits the entry of certain foreign workers to the United States. As a result, U.S.-based and foreign companies with U.S. operations are struggling to accommodate and adapt their global mobility strategies in the wake of the unexpected and potentially detrimental announcement.

The recent order prohibits the entry of foreign nationals to the United States and includes workers, students, visitors, caregivers, seasonal agricultural workers and spouses of temporary foreign workers who are already in the United States. The order is expected to affect approximately 500,000 foreign nationals and is expected to remain in effect until January 2021.

As a response, industry experts and global mobility groups have protested the order, citing negative economic outcomes for U.S. and foreign companies whose business operations rely heavily or in part on seasonal and temporary foreign workers each year. Critics warn that by insulating the U.S. economy, foreign students, workers, families and businesses will seek acceptance, work, study and opportunity in other countries and markets, resulting in a loss of innovation, skills and knowledge transfer, and economic opportunities.

Canada’s approach to immigration policy

Canadian immigration officials expect a sharp increase in the number of applications received for both temporary and permanent residence as a result of the current U.S. administration’s anti-immigration rhetoric and visa suspension policies. Companies that relocate operations and/or personnel to Canada are able to remain in proximity to their U.S. operations while also establishing and/or maintaining access to the U.S. market. Companies may also reap the benefits of a more-affordable workforce without sacrificing whatsoever on the quality of the talent. If companies establish a Canadian subsidiary, they may be able to take advantage of a number of tax credits that make the proposition of hiring Canadian employees even more enticing.

Canada’s approach to global mobility and immigration policies has traditionally been considered more accommodating and inclusive than its U.S. counterpart, as Canada relies heavily on foreign skilled workers and immigration in order to support, prosper and maintain a healthy and growing economy. As a result, Canada’s immigration policies and categories are tailored to accommodate foreign skilled workers’ and their family members’ relocation to Canada on a temporary and permanent basis. Canada has a particular focus on growing its tech industry by allowing foreign nationals to enter on work permits through a fast track process called the Global Talent Stream (“GTS”).

The GTS program was established in order to address critical shortages in the Canadian labour market and to attract foreign skilled workers and companies. At present, the GTS program’s major target is the IT sector, which includes software engineers, developers and analysts; data and computer scientists; interactive media developers; systems administrators; and all managerial and executive-level occupations. In the wake of the U.S. government’s ban on temporary and permanent immigration, Canada anticipates a deluge of applications under all categories of immigration as foreign nationals and businesses redirect their resources, personnel and operations to Canada.

Furthermore, due to COVID-19, Canada has enacted numerous immigration-related programs and policies in order to facilitate the entry of foreign skilled workers, essential personnel and family members,
including priority processing. To the contrary, the U.S. has enacted numerous policies which limit or eliminate the entry of foreign skilled workers to the country.

With the uncertainty surrounding COVID-19 and the upcoming U.S. presidential election, Canada has become a key destination for U.S. and foreign businesses, students and families. In fact, Canada is one of the leading destinations for startup companies in IT, healthcare and infrastructure, and is home to a large, vibrant and innovative tech community, which is renowned for its talent, skill and innovation. Furthermore, Canada is uniquely situated both geographically and ideologically to accommodate the influx of temporary workers and businesses as a result of the U.S. visa ban.

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