



Canadian Bureau for  
International Education  
Bureau canadien de  
l'éducation internationale

## Written Submission for the Pre-Budget Consultations in Advance of the Upcoming 2026 Federal Budget

Submitted by:

Canadian Bureau for International Education (CBIE)

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## Recommendations:

- *Recommendation 1:* That the Government of Canada support and invest in a new, comprehensive international education strategy as a core pillar of its trade diversification agenda.

This strategy should provide clear strategic direction and support to increase and align direct international education exports such as transnational education, talent attraction, and research and innovation in strategic regions and sectors while also leveraging the enabling role international education plays for other export sectors so that they can fully benefit from the longstanding people-to-people ties, partnerships and capacity-building ground work created through international education.

- *Recommendation 2:* That the Government of Canada invest in and expand international scholarship programs as a strategic tool to advance Canada's trade, talent and diplomatic objectives.
- *Recommendation 3:* That the Government of Canada create and fund a Centre for Excellence on International Students to bring together relevant stakeholders and data from all levels of government to improve policy, research and innovation and ensure that the International Student Program continues to help Canada meet its talent needs.
- *Recommendation 4:* That the Government of Canada ensure that IRCC has the resources it needs to ensure a strong, responsible and sustainable International Student Program that meets Canada's talent needs.

## Recommendation 1: Invest in and support a new international education strategy (IES)

Canada's educational institutions play a key role in advancing Canada's trade, diplomacy and development agendas. International education is a critical export sector. In 2022 alone, international students contributed \$30.9 billion to Canada's economy, supporting 360,000 jobs in Canada and amounting to 23.1% of Canada's total service exports to the world. These figures barely scratch the surface of the sector's economic impact, not accounting for international research collaborations, development partnerships or transnational education (TNE). TNE is education that is delivered in a country other than the country in which the awarding institution is based. It can take multiple forms such as satellite campuses, joint degrees or the export of curriculum. Regardless of format, it allows students to earn high-quality, Canadian credentials in their home countries.

Beyond direct economic returns, international education is also an enabler of strong diplomatic relations and of other export sectors looking to engage new markets. Canada's international education institutions are often the first and most sustained point of contact that a country has with Canada, laying the groundwork for future collaborations. They build reciprocal people-to-people ties and networks through student, staff and faculty mobility and collaborations. They build research partnerships that advance Canada's innovation goals, leading to new technologies and discoveries. Many alumni and partners go on to become influential champions of Canadian institutions, companies, and technologies, helping to develop diplomatic relations, expand trade channels and attract foreign investment.

Canada's education institutions play a critical role in advancing its international development goals by leading capacity-building and technical assistance-focused development projects that strengthen local institutions and governance structures. These projects advance Canadian values and its place in the world, deepening partnerships and helping fulfill our international commitments. They also create opportunities for early market access for Canadian companies, creating Canadian-compatible systems in partner countries that streamline trade, such as common accreditations and regulatory systems.

### Canada's current approach

Canada's current approach to international education is disjointed. Its last IES expired in 2024. While many institutions continue to pursue opportunities in key markets, we lack government direction and support to align existing efforts to strategic sectors and partners as well as the

coordination to fully leverage the relationships, innovation and competitive advantages that result from these partnerships.

Other countries are seizing the competitive advantage that international education offers. The United Kingdom has launched a new strategy that places education at the heart of its global engagement and seeks to grow education exports to £40 billion per year by 2030. New Zealand and Germany are investing heavily, expanding talent attraction in key markets and long-term pathways for students to stay and help address domestic labour needs. Australia is quickly expanding TNE offerings and, along with the UK, is becoming a global TNE leader.

Canada's education institutions have a strong reputation for high-quality education, world class research, and decades of experience in capacity building and technical assistance. Our institutions have deep ties in regions that hold strategic importance to our trade and security goals such as Europe and the Indo-Pacific. We know that many strategic partner countries are keen to engage with and learn from Canada's education system. As the Prime Minister told Canadians in his address on April 19, 2026, "Canada has what the world wants, from energy to education".

At the same time, the education sector in Canada is navigating a challenging financial context caused by provincial underfunding and dramatic policy changes to the International Student Program. As a result, we've seen some institutional closures and amalgamations and many institutions are cutting programs and reducing staff to address funding shortfalls. Against this backdrop, the sector needs clear direction, predictability and support to be able to invest and expand international education work and to orient it to Canada's strategic international goals.

## Solution

CBIE calls on the Government of Canada to invest in a new comprehensive IES as a key pillar of its trade diversification, development and diplomacy agenda. The strategy would provide clear direction and predictability for Canada's education institutions, fostering strategic alignment of international education activities in priority regions and sectors. It would also play a coordinating role across government departments, knitting together talent attraction, research and innovation, with international trade, development and diplomacy to maximize impact and reduce duplications. The strategy should include:

- Supports to increase and align TNE initiatives, talent attraction, research and innovation, scholarships and reciprocal mobility with strategic partner countries.
- Supports to coordinate and leverage the enabling role international education plays for other export sectors so that they can fully benefit from our longstanding partnerships, alumni networks, capacity-building and technical-assistance development partnerships, and scholarships programs.

## Recommendation 2: Invest in and expand international scholarship programs to advance Canada's trade, talent and diplomatic objectives

International scholarship programs are among the most effective and targeted tools available to governments to advance national interests across trade diversification, talent attraction, diplomacy and development. Competitor countries—including the United Kingdom (Chevening Scholarships), Australia (Australia Awards) and Germany (DAAD)—have long-standing, well-funded scholarship programs that serve as cornerstones of their international engagement strategies, building long-term influence and partnerships in priority regions.

While impactful, Canada's current scholarship landscape remains modest in scale, fragmented across departments and is not aligned to an IES or foreign policy strategy. Strategic investments in international scholarship programs would deliver multi-dimensional benefits for Canada, allowing it to:

- Attract and retain high-calibre students to contribute to its research, innovation and labour market needs;
- Expand trade and diplomatic influence by positioning Canada as a sought-after partner and building deep, long-lasting people-to-people ties in emerging and priority markets.
- Accelerate international development and capacity building by equipping students from developing countries to strengthen institutions, governance and human capital abroad.

As global competition for talent and influence intensifies, Canada risks falling behind in its ability to attract top students, build enduring relationships and strengthen its presence in strategically important regions.

### Solution

CBIE recommends that the Government of Canada establish a coordinated, well-funded international scholarship initiative as part of a renewed IES that will:

- Scale up existing programs and introduce new scholarships targeted at high-achieving students in priority regions and sectors aligned with Canada's economic and innovation priorities (e.g., clean technology, health, infrastructure).
- Align scholarships with immigration and talent strategies to create clear and sustainable pathways for recipients to contribute to Canada's workforce - where appropriate.
- Support reciprocal mobility, enabling more Canadian students to study and gain experience abroad, strengthening Canada's global competencies and relationships.

- Enhance coordination across government departments to ensure scholarships are strategically deployed to support trade, diplomacy, and development objectives.
- Leverage partnerships with provinces, institutions and the private sector to maximize impact, co-fund opportunities and ensure responsiveness to labour market and regional priorities.

### Recommendations 3: Create and Fund a Centre for Excellence on International Students

In 2024, the Government of Canada introduced a series of significant, rapid-fire changes to Immigration, Refugees and Citizenship Canada (IRCC)'s International Student Program (ISP) with the goal of improving the program and reducing the number of temporary residents to Canada.

The impacts of these changes have been far reaching and long-lasting. The policy uncertainty damaged Canada's international brand, leading to a massive drop in student applications. Canada's ability to attract top talent was then further limited by a sizeable drop in study permit approval rates and increased study permit processing times.

The Auditor General and House of Commons Standing Committee on Citizenship and Immigration (CIMM) each released reports in 2026 validating many of the concerns that CBIE and its members have raised since the changes took effect, including the:

- higher-than-expected drop in international students and uneven impacts across the country;
- need for improved consultation and alignment with the provinces and territories;
- need for better data and coordination across government departments, provinces, education institutes and national associations; and
- need for strengthened processes and resources to address vulnerabilities in the system.

With an aging and, in some regions, declining population, strategic and sustainable international student recruitment will continue to be critical to the success of Canada's goals of building nation-building infrastructure, growing national defence capabilities, and becoming a leader in artificial intelligence.

Canadian education institutions are uniquely positioned to attract this global talent and prepare students with key skills to meet labour demands in Canada and abroad. International alumni from Canadian institutions graduate with strong English and/or French language skills, a strong understanding of Canadian culture, work integrated learning experiences, and recognized, high-

quality credentials. Those that apply to stay after their studies are well equipped to succeed in Canada's economy and support their new communities.

To ensure the program can more strategically play this role, the Government of Canada should create and fund a Centre of Excellence for International Education. This recommendation, developed by CBIE and adopted by the CIMM committee in its [recent report](#), would allow for better coordination across government departments, provinces and territories, education institutions and national associations to improve planning, data collection and enhance ties to the labour market. The Centre would ensure that relevant stakeholders have the information needed to bring forward policy innovation, conduct research and accelerate capacity-building to ensure the program continues to help Canada meet its current and future talent needs.

#### Recommendation 4: Resource IRCC adequately to ensure the strength and sustainability of the International Student Program

As outlined above, the Auditor General and CIMM reports highlighted gaps in the ISP that, left unaddressed, could compromise the program's ability to continue to serve as one of Canada's most important talent attraction mechanisms.

As such, CBIE recommends that Government of Canada ensure that IRCC is allotted the resources needed to strengthen the program and ensure its long-term sustainability and coherence. To do this, the department must be adequately resourced to:

- monitor and adjust to unintended consequences of program changes;
- ensure proper alignment and consultation with provinces, territories, education institutions, and national associations;
- improve labour market alignment; and
- strengthen program integrity mechanisms where necessary.

Without these investments, Canada international reputation as a high-quality study destination will continue to suffer and prospective international students will choose to go elsewhere in what is an increasingly competitive global international education landscape. With a cap on temporary residents, being laser-focused on attracting the right talent is increasingly important for Canadian prosperity.

## About CBIE

CBIE serves as Canada's national voice advancing international education. In partnership with institutions, governments and broader sector stakeholders, CBIE champions Canada's international education priorities through thought leadership, advocacy, capacity-building, convening and strategic collaboration.

CBIE's national network includes more than 165 member colleges, universities, polytechnics, CEGEPs, language schools and school boards, representing the breadth and diversity of Canada's education ecosystem.