

"Changes to Economic **Immigration Programs:** Moving to Labour Matching"

GFMD: Recruitment, Labour Migration and Diaspora

Geneva - September 11, 2013

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Today's Presentation

Purpose:

To provide a brief overview of the recent and upcoming changes to Canada's economic Immigration programs made with the aim of matching Canadian jobs and foreign labour

Immigration Overview

Jobs, Skills and Long-term Prosperity context Immigration streams /scope of programs

Permanent Resident Programs (Economic)

Federal Skilled Worker Program Federal Skilled Trades Program

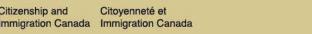
Temporary Resident Programs

Live-In Caregiver Program Seasonal Agricultural Worker Program

Future Directions

Broad Overview of Changes Expression of Interest System Lessons Learned on Economic Immigration

	By the numbers
15 million	Immigrants since Confederation
3.5 million	New permanent residents in last 15 years
257,887	New permanent residents in 2012
213,573	New temporary foreign workers in 2012
104,810	New international students in 2012
75-85%	Number of permanent residents who go on to become citizens
113, 142	New citizens in 2011/12
1 in 5	Canadians born outside the country
One	of the highest per capita rates of immigration in the world



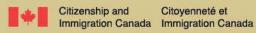


Overview Permanent and Temporary Migration

- Two migration streams:
 - **1. Permanent residence**: foreign nationals who may settle in Canada permanently
 - Intake is annual parliament plan (240-265,000 admissions); meets objectives
 - PRs may go on to become citizens
 - **2. Temporary residence**: foreign nationals who visit, study or work in Canada for a limited time
 - Intake *responds* to demand (214,000 in 2012)
- Permanent and temporary residence are managed by considerations of objectives, commitments, and priorities within a context of finite resources.
- Temporary streams may transition to permanent residents, who may in turn go on to become citizens.

Immigration has long been part of Canada's history and it has helped make Canada a culturally rich, prosperous and progressive nation.

Immigration is a shared jurisdiction between the federal and provincial and territorial governments (Constitution Act, 1867).





Economic Class: The Current Suite of Programs

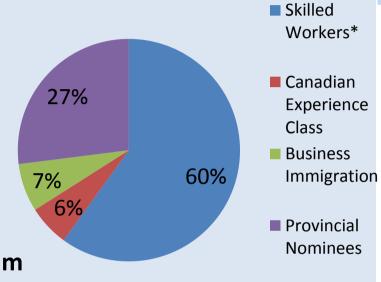
Federal Skilled Worker Program

New Federal Skilled Trades Class

Canadian Experience Class

Business Immigration Programs

Temporary Foreign Worker Program



Provincial & Territorial

National

Quebec-selected Skilled Worker Program and Business Programs Provincial Nominee Program

*includes Federal Skilled Workers and Quebec-selected Skilled Workers in 2012





Federal Skilled Worker Program (FSWP)

Program overview:

- Main objective: select skilled workers who can succeed in the Canadian economy, based on criteria that have been shown to help them adapt to the Canadian labour market and society
- Selection grid with six factors, requiring 67 points out of 100 to pass (Minister has authority to adjust pass mark)

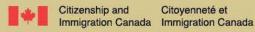
The New Points System (2013)		
English and French Abilities	28 (个)	
Education	25	
Work Experience	15 (↓)	
Age	12 (个)	
Arranged Employment	10	
Adaptability	10	
Total	100	

Who are Federal **Skilled Workers?**

Managers: in manufacturing, sales, marketing, transportation, construction, health ...

Professionals: physicians, mathematicians, applied scientists, engineers, teachers, accountants ...

Paraprofessionals and Technicians: medical technologists, paralegals, graphic art technicians, announcers, performers ...



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Federal Skilled Trades Program (FSTP)

- Launched on January 2, 2013, this new program will help select skilled tradespersons who
 meet Canada's current and evolving economic needs
- A cap of 3,000 applications is in place to manage intake
- This program will:
 - help fill labour market gaps in skilled trades occupations
 - recognize different provincial certification processes
 - place safeguards on applicant quality

Program Criteria

(Pass/Fail model with four requirements)

Arranged Employment OR P/T certificate of qualification:

Arranged employment - employers well-placed to assess employability requirements Certificate of Qualification is to ensure that the applicant is "job ready" upon arrival



Mandatory language threshold: (initial intermediate (CLB 5) speaking and listening fluent basic (CLB 4) in reading and writing) to ensure that health and safety standards are upheld and improve socio-economic integration



Work Experience: 2 years (in last 5) as a qualified skilled tradesperson to ensure that the applicant has recent and relevant practice as a qualified journeyperson



Education/Qualification: Satisfy National Occupational Classification (NOC) employment requirement to demonstrate that applicants have performed the essential duties of the occupation





Federal Business Immigration Programs

Programs designed to select experienced business persons who are able to contribute to Canada's economic growth and iob creation

- Start-Up Visa Pilot Program for Immigrant Entrepreneurs is required to have a commitment from a designated Canadian angel investor group or venture capital fund before one could apply to CIC with their immigration application
- Self-employed persons must demonstrate their ability to create their own employment in athletics, cultural activities, or farm management
- Investors are required to make a C\$800,000 investment in the economy
 - Program undergoing review and is closed to new applicants
- Entrepreneurs must own and manage a business in Canada
 - Program undergoing review and is closed to new applicants

By the Numbers

of Business Class admitted to Canada in 2012: 10.080

Employment profile (skill level):

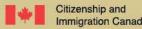
Management, professionals, investors

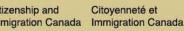
Main provinces of destination:

B.C., Ontario, Quebec

Principal countries of origin:

China, South Korea, **Pakistan**







Regional - Provincial Nominee Program (PNP)

Program overview:

- Immigrants nominated by a provincial or territorial government based on regional needs, including those of employers, and individual's ability to economically establish
- Government of Canada makes the final selection decision and completes processing of applications on a priority basis subject to health, safety and security requirements
- Quebec has selection authority for economic immigration under the Canada-Quebec Accord and has its own skilled worker and business immigration programs

Moving forward:

Economic Action Plan 2012 committed Canada to working with provinces and territories to improve the PNP by focusing on economic immigration streams in order to quickly respond to regional labour market demands

By the Numbers

of PNPs admitted in **2012:** 40.899

PN profile:

86% have some postsecondary education

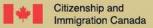
Main provinces of destination 2012: Alberta. Manitoba, Saskatchewan

Principal countries of origin 2012:

Philippines, India, China

Outcomes:

Average income \$35,200 -\$45,100 after 3 years





Temporary Foreign Workers (TFWs)

- The TFW Program provides access to temporary labour to sectors and regions experiencing labour shortages
 - Employers can hire from any country, generally subject to a labour market opinion with no numerical limits
- It supports Canadian interests with key partners via international agreements (e.g., NAFTA, youth mobility)
- In 2013, the Government announced that it would
 - o Increase recruitment efforts employers must make to Canadians
 - o Identify English and French as the only languages to be required
 - o Introduce a user fee for employers requesting a Labour Market Opinion
 - o Increase penalties if program is misused
 - Ensure employers have a plan in place to transition to a Canadian workforce over time
 - Require employers to pay the prevailing Canadian wage and to provide safe working conditions at Canadian standards

By the Numbers

of TFWs admitted to Canada in 2012: 213,573

Total # of TFWs in Canada in 2012: 491,547

Employment profile (skill level):

Management, professionals, skilled technical, clerical, labour

Main provinces of destination:

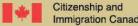
Ontario, British Columbia, Quebec, Alberta

Principal countries of origin:

U.S., Mexico, France, U.K, Australia, India, Philippines

Onward trajectory:

In 2011, 29,908 TFWs transitioned to permanent residence and 10,743 LCPs were granted PR status





Providing Support: Foreign Credential Recognition (FCR)

- A key barrier to integration for newcomers is discounted international credentials.
- CIC works with a broad range of partners to help temporary skilled workers and newcomers become productive, engaged citizens in jobs that are commensurate with their fields of training.
- Examples of such efforts are:
 - Canadian Immigrant Integration Program (CIIP), an overseas project that delivers services such as group and individual counselling and access to information resources.
 - Pan-Canadian Framework for the Assessment Recognition of Foreign Qualifications a public commitment by federal/provincial/territorial governments to improve FCR processes in 14 target occupations.
 - An Educational Assessment (EA) requirement for Federal Skilled Worker Program Applicants that authenticates their international credentials and determines equivalency to Canadian educational standards.
 - The Federal Internship for Newcomers Program, which provides an opportunity for qualified newcomers to gain work experience, from the public sector to the private sector.
 - A new Federal Public Service Mentoring Pilot linking public servants with newcomers to develop professional networks and gain insight into Canadian workplace culture.



Providing Protection: for Temporary Workers

- The Government of Canada takes the issue of exploitation and mistreatment of Temporary Foreign Workers (TFWs) very seriously. It is unacceptable for Canadian employers to exploit or mistreat workers, regardless of their nationality or occupation.
- TFWs have access to the same recourse mechanisms as Canadian workers when it comes to labour and employment standards.
- Provinces and territories have primary responsibility for enforcement of labour standards and have offices that can assist all workers regarding fair pay, hours of work, rest periods and general working conditions.
- Economic Action Plan 2012 defined measures to enhance protection for temporary foreign workers, with authorities to impose conditions on employers, verify compliance and impose consequences.





Providing Transitions: Canadian Experience Class (CEC)

Program overview

- Program objective: retain applicants with intermediate language skills that have demonstrated successful employment in Canada in a skilled occupation
- Launched in 2009, Canada recently welcomed its 20,000th permanent resident through the Canadian Experience Class

Recent improvements came into effect on January 2, 2013

- Faster transition by reducing the work experience requirement from 24 months to 12
- Standardized eligibility requirements for all applicants
- Language thresholds are set by the Minister at intermediate levels in reading, writing, listening and speaking

By the Numbers

of CEC admitted to Canada in 2012:

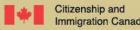
9,359 (intake more than doubled since 2010)

Employment profile (skill level):

Management, professionals, skilled technical, clerical, labour

Principal countries of origin:

India, China, Philippines, U.S., U.K., South Korea







Providing Transitions: Live-In Caregivers

- Canada has a unique Live-In Caregiver Program (LCP)
- The Program permits Canadian families to hire workers from abroad to provide care to a child, an elderly person or an adult with disabilities
- Caregivers are obliged to work for two years and afterwards they and their immediate families abroad become eligible to apply for permanent residence.
- The LCP is the only federal program providing direct access to permanent residence for TFWs with lower skill levels.
- The LCP is a demand-based program and the number of caregivers accepted as permanent residents generally corresponds with the number who came to Canada as temporary foreign workers (TFWs) a few years earlier.
 - For example, in 2008 Canada admitted 11,687 LCPs and three years later 10,743 LCPs went on to become permanent residents
- Since December 2011, the Government began issuing open work permits to live-in caregivers as they apply for PR, so caregivers have the freedom to establish their own home and to seek jobs in other fields.





PART 2: Key Policy Reforms - Economic Immigration

- Prime Minister Harper's speech at the Davos Economic Forum and Economic Action Plan 2012 made clear that immigration is a key priority for the Government of Canada:
 - "[We] will ... undertake significant reform of our immigration system [and will] make our economic and labour force needs the central goal of our immigration efforts in the future." (Davos, 2012)
- The Government's vision for immigration
 - New application management system "just in time" processing to quickly respond to changing priorities and needs
 - Eliminate application backlogs
 - A greater focus on economic immigration
- In order to build a fast and flexible immigration system that meets Canada's economic and labour market needs, the Government introduced changes to many of our Economic programs in 2013.





Why We Are Transforming our Immigration System: Selection

- Main objective is to select skilled workers who can succeed in the Canadian economy based on criteria shown to help them adapt to the Canadian labour market and society
- Current economic immigration selection criteria have been adjusted to better respond to Canada's evolving labour market needs
- Some skilled workers continue to have difficulty finding jobs in their field, and some employers also face challenges in finding skilled workers
- Federal Skilled Workers are more adaptable to Canada's dynamic labour market and better able than all other immigrant classes to achieve long-term success





Improvements to the Selection of Skilled Workers

- The FSWP selection system was modernized in response to the program evaluation (August 2010), research, and best practices in other immigrant receiving countries.
- While the FSWP was doing well overall, there was also room for improvement:
 - Some skilled workers continued to have difficulty finding jobs in their field, and some employers faced challenges in finding the workers with the skills and qualifications they needed.
 - Weighting of the selection criteria could be adjusted to better respond to Canada's evolving labour market needs.
 - > Strong evidence supporting language proficiency, benefits of Canadian work experience, having a job in Canada, and younger age at arrival factors that lead to better economic success.
 - Growing demand for skilled tradespersons in certain sectors.
 - > Concerns regarding fraud in the arranged employment process.
- New Federal Skilled Trades Program (FSTP) and Canadian Experience Class (CEC) enhancements launched on January 2, 2013.



Changes to the FSWP Selection Points (May 4, 2013)

Overview of the Changes by selection factor:

Language

Proficiency in English or French is the most important indicator of successful economic establishment

 Introduced mandatory language threshold (intermediate) evidenced by designated language test and make it the most important selection factor in terms of points

Education

Foreign educational credentials are not all similarly valued in the labour market compared to Canadian degrees/diplomas:

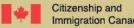
- Introduced mandatory independent third party assessments of foreign educational credentials for applicants who studied outside of Canada
- Applicants who do not have an equivalent to a completed Canadian credential are not eligible for the FSWP

Who are Federal Skilled Workers?

Managers: in manufacturing and utilities, sales, marketing, transportation, construction, health...

Professionals: Physicians, mathematicians, applied scientists, engineers, teachers and instructors, accountants...

Paraprofessionals and Technicians: medical technologists and technicians, paralegals, graphic art technicians, announcers and other performers...





Changes to the FSWP Selection Points (May 4, 2013) cont'd

Work Experience

Research shows foreign experience is undervalued in Canadian labour market and weak indicator of economic success

 Decreased maximum points awarded for work experience, making additional points available to give more weight to language and age

Age

Younger immigrants integrate more rapidly into labour market and contribute for a longer time to Canada's economy and social program

Increased weighting and redistributed points to favour younger immigrants

Arranged Employment

Immigrants who come to Canada with a valid job offer earn 79% more in the first three years after arrival than people without arranged employment.

Adaptability

Language proficiency and Canadian work + education are rewarded in labour market and position newcomers for economic and social integration

 Award adaptability points for Canadian study and work experience and reward accompanying spouse's official language proficiency



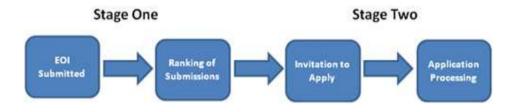
Why we are reforming our system: Processing

- Traditional approach: passive acceptance of immigration applications with an obligation to process all.
- Result: Long wait times and backlogs, with loss of alignment to Canadian labour needs.
- Recognized need for a better match between immigrant supply and labour market demand.
- Short term response (2008): numeric caps, designation of priority occupations.
- Longer term response (2014): Shift to Expression of Interest System (EOI)



Expression of Interest (EOI): Moving To Matching Jobs and Skills

- "Canadian employers, provinces and territories to select skilled immigrants from a pool of applicants that best meet Canada's economic needs"
 - An Economic Action Plan 2013 commitment
- Expression of Interest (EOI) application system is the means to create such a pool
 - Drawing on the example of EOI systems used in Australia and New Zealand
 - Represents a pre-screening of candidates for immigration: Candidates express interest;
 they are ranked within a pool. Candidates with attributes aligned to needs (identified by governments and employers) are issued an "Invitation to Apply" (ITA)



Late 2014 is the targeted launch date for EOI in its initial form

Lessons Learned on Economic Immigration: EOI

- With EOI, Canada is moving away from a supply-driven immigration system to a more flexible demand-driven system.
- With the new Expression of Interest system we expect to eliminate the problems that plagued the old one, such as backlogs and processing delays.
- A demand-driven immigration system will:
 - Make it possible to select the best candidates, not necessarily the first in line
 - Help immigrants find a job at their skill level more quickly
 - Support Canada's current labour market needs
 - Create opportunities to increase the employer role in immigration
 - Shift focus to domestic labour-market needs without diminishing our traditional commitment to humanitarian values, family reunification and societal objectives.





Summary - EOI's Advantages in Labour Matching

Moving from the passive receipt of applications to the active recruitment, assessment and selection of skilled immigrants

With the new Expression of Interest system we expect to eliminate the problems that plagued the old one, such as backlogs and processing delays

Removes obligation to process all interested candidates:

Selecting the best, not necessarily the 1st in line

Prevents backlogs:

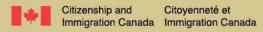
Matching intake to application processing capacity and levels targets

Quicker, more nimble selection

Immigrants find a job at their skill level more quickly, while current labour needs are met

Offers more choice, flexibility and precision in skilled immigrant selection:

 With the potential for better immigrant outcomes and improved labour market responsiveness – through an increased employer role in selection





Summary – Lessons Learned by Canada

- Canada situates labour migration in the context of broader economic, societal and immigration aims;
- Higher skilled workers are valuable, including as permanent immigrants, but selection should factor in ability to adapt / language aptitude;
- Skilled trades merit inclusion in labour migration suites;
- Need for sensitivity to domestic employment situation, including to ensure support for temporary work programs;
- Merit in switching from a supply-led to a demand-led approach for time-sensitive labour matching (i.e., EOI);
- Need to complement programs with evaluation, support for foreign credential recognition, protection of rights of migrants, and options to transition to permanent migration.





The End - Thank you for your attention!

Questions? (just the easy ones...)

