

Improving Canada's Immigration Processes

While the recent economic downturn has impacted many businesses, the long term shortfall of labour resources remains a major concern for Canadian businesses in the long term. Many businesses are concerned about this impending shortage of workers in anticipation of the next economic surge. The Conference Board of Canada predicts that by 2020, Canada will experience a labour shortage of nearly one million people. Quebec could face a shortfall of 292,000 workers by 2025, rising to 363,000 by 2030. Alberta could be short of 332,000 workers by 2025. Ontario could be short of 360,000 workers by 2025 and over 564,000 by 2030. In the case of BC estimates suggest that the province will create one million new job openings by 2017 while only graduating 350,000 students through the K-12 system.¹

Immigration will play a key role in addressing these short- and long-term labour market needs. Between 2011 and 2016, growth in Canada's working-age population will virtually stagnate and post 2016 it will decline. At the same time, baby boomers (those born between 1946 and 1964) will begin reaching retirement. Innovative responses are needed so that Canada can attract people from around the world with the right mix of skills and talents to support economic growth now and in the future and meet global competition head-on. Other industrialized countries are confronted with similar challenges and will be increasingly competing with Canada for this global pool of skilled workers.

Though Canada has historically used immigration to deal with its labour scarcity (due to the low natural population growth rate), there are some ways that the government can make this process more efficient. With the benefits that immigrants bring, overwhelmingly as skilled labour, the Canadian Chamber of Commerce supports the federal government's efforts to attract and retain immigrants to help alleviate labour shortages. However, a number of challenges to full employment of immigrants continue to exist.

Visa Processes

Permanent Workers

Hiring a foreign worker to come to Canada as a permanent resident has become extremely difficult based on the time it takes to get an employee and their family admitted to Canada. First, an individual must apply for a working visa which is a lengthy process (6 months). Unless the individual can make a case that their skills are in demand and a Canadian is not available to take the position, the immigration case is rejected. The problem with this system is the process involves both HRSDC as well Citizenship and Immigration. If HRSDC statistics show a lack of demand, the case is lost. Unfortunately, the statistics do not factor in localized or specialty needs. They are based solely on surveys and reports which are often flawed as Immigration and HRSDC do not collaborate with firms that require the skills.

The lengthy wait times for approval from Citizenship and Immigration Canada virtually guarantees that the foreign worker will seek other opportunities. Applications for permanent residency are processed on a first-come-first-served basis, rather than having a prioritized approach. By providing more transparent and realistic timelines for the permanent residency process, it would be possible to attract more foreign nationals to make their homes and livelihoods in Canada so as to fuel our growth potential.

Temporary Foreign Workers

Most employers rely on the Temporary Foreign Worker (TFW) Program to bring workers into Canada, even if the intention is to recruit long-term employees. Recruiting temporary foreign workers is generally a two-step process: the first step is a Labour Market Opinion (LMO) from Service Canada, followed by a visa or work permit, which is provided by Citizenship and Immigration Canada at understaffed centres overseas. Obtaining a LMO, essentially seen as confirmation that there are no Canadians available to fill the position, currently takes approximately 4-6 weeks plus the time for required advertising and recruiting. The previously implemented expedited LMO (e-LMO) process, which was designed to speed up the process for selected occupations, has now been discontinued. This leaves a regular LMO process

¹ Conference Board of Canada, "The Workplace of the Future: Leaders and the World of Work in 2020." July 2010.

which is still slow and unresponsive to current labour market conditions related to pay, labour shortages, and recruitment processes due to the excessive lag time.

Many of the recruitment advertising requirements, particularly for some of the professional and high skilled occupations, are out of touch with how the business community actually recruits such talent. This information gap means that these processes do not currently distinguish between the various categories of workers based on skill levels, such as professional, skilled, semi-skilled, low skilled and non-skilled. Applications for low skilled workers should not draw away from applications from those who are highly-skilled, given the economic benefits created by the latter, as education and spin-off employment occur through the hiring of professionals and other highly-skilled people.

Furthermore, with more severe labour shortages on the horizon, the Canadian Chamber of Commerce recommends that the e-LMO process be reinstated and the list of demand occupations it covers be reviewed and expanded.

International Students

International students, studying at Canadian post-secondary institutions, are another valuable source of skilled workers for our country. To be accepted at a university or college, and to successfully achieve a Canadian post-secondary credential, students must be proficient in either one of our official languages. These students develop an attachment to the Canadian labour market through working off-campus during their studies and, once they complete their program, have Canadian credentials. In addition, foreign students contribute over \$6.5 billion to the Canadian economy annually.² Slow processing times and backlogs negatively impact the approval of student visas and hinder effective recruitment of students and future employees.

Immigration Services

The complexity of the Canadian immigration system renders the process extremely difficult for future newcomers. According to a public consultation conducted by Citizenship and Immigration Canada (CIC) in May 2009, 53 percent of respondents were either very dissatisfied with or indifferent to the service they paid CIC for. Moreover, the survey shows that 35 percent of respondents were seeking help to understand the process and to complete their applications.³ This highlights a need for the services we offer overseas to provide clarity and value in recruiting the right employees for Canadian businesses.

To fully utilize and engage the skills of immigrants in Canada, it is necessary to have suitable integration services. Without knowledge of the customs and culture of the place where they have chosen to settle down, immigrants cannot truly become contributing members of the community. This lack of engagement can lead to social and financial costs, such as “discouraged worker syndrome” and taking on lower paying jobs (many of which are not in the same occupational sector as the ones that they were trained in).

Presently, there is a wide range of government-supported and non-profit programs that try to cope with different aspects of immigration albeit the number of them makes it hard for a potential immigrant to get precise information. There is no centralized integration service organization at either the federal or provincial/territorial levels that would coordinate integration policy for new immigrants. The existing integration services are represented by non-profit organizations (with limited budgets) or by the heritage centers that concentrate their work only on particular nationalities. Community-specific integration services, run by local non-profits, should be established to truly harness the growth and productivity that immigration can bring.

² Foreign Affairs & International Trade Canada. “*International Students Contribute Over \$6.5 Billion to Canadian Economy.*” October 2009.

³ Ibid.

Foreign Qualification Recognition (FQR)

Unnecessary barriers to foreign qualification recognition exist in many professions and sectors. New Canadians need the shortest, most practical route to obtain Canadian qualifications in their professions, without sacrificing standards. The ultimate goal is to give new immigrants the tools to become self-reliant and to take full advantage of the opportunities that Canada affords. By failing to properly recognize foreign qualifications and experience, immigrants will continue to remain unemployed and/or under-contributing members of the Canadian economy – ultimately earning less income, paying less in taxes, and unable to afford the goods and services necessary to build their new lives in Canada. It is important that government, business and qualification-granting bodies work together to improve the processing time and policies for the qualification recognition of internationally trained professionals, alleviating the problems of labour shortages but also creating a society where everyone can become a contributing member.

At the same time, Canada needs to raise the profile of the Pan-Canadian Framework for the Assessment and Recognition of Foreign Qualifications to ensure businesses and immigrants are aware of the opportunity to access assessments of foreign educational qualifications relative to provincial educational standards. It needs to be easy to find guidelines and other pertinent information on these websites, as this is usually the first step for many potential immigrants.

There are nearly 500 professional regulatory authorities and numerous credential assessment/accreditation bodies, hundreds of vocational institutions which are involved in assessing foreign credentials in 13 jurisdictions in Canada. At the same time immigrants still encounter difficulties in obtaining transparent, accountable and systematized information about regulatory requirements. Generally, the provinces are responsible for licensing and certification in approximately 55 regulated professions (15 percent of Canada's labour market), while employers determine if a worker possesses the appropriate qualification in the other occupations, which remain unregulated (85 percent of Canada's labour market).⁴ Meanwhile, the governments of Australia and New Zealand have carried out reforms, which aim to centralize the assessment of credential recognition through National Office of Overseas Skills Recognition (NOOSR) and New Zealand Qualifications Authority (NZQA) respectively.⁵

Credential assessments have become more complicated since the range of immigrant source countries has broadened significantly. Moreover, there is no requirement for applicants to have their credentials assessed prior to submitting an application in Canada.⁶ In addition, immigrants on the whole, have higher levels of education. In 2007, about 37 percent of foreign born individuals between 25 and 54 years had a university degree, compared to 22 percent of the Canadian born population in the same age group, yet the unemployment rate among immigrants is twice as high as those who are Canadian-born.⁷

Official Language Skills

Language skills are an additional concern. The share of immigrants whose mother tongue is neither French nor English has increased from 53 percent in 1981 to 80 percent in 2006.⁸ In a 2007 survey of Calgary-based businesses, 90 per cent of respondents indicated that an immigrant must speak, understand, read and write English or French well enough to be easily understood by others, in person,

⁴ Becklumb, P., Elgersma, S., *Recognition of the foreign credentials of immigrants*, in: "Parliamentary information and research service", October 2008, <http://www2.parl.gc.ca/content/lop/researchpublications/prb0429-e.htm>, accessed December 12, 2010.

⁵ Business Council in British Columbia, *Labour market needs, Immigration programs, Foreign credential recognition & Employment*, http://www.bcbc.com/Documents/LE_20070412_Submission_LIFE.pdf, March 2007, accessed December 5, 2010.

⁶ Ibidem.

⁷ The Canadian Chamber of Commerce, *Canada's Demographic Crunch: Can underrepresented workers save us?*, <http://www.chamber.ca/images/uploads/Reports/2010/Canadas%20Demographic%20Crunch141010.pdf>, accessed November 30, 2010.

⁸ Drummond D., Fong F., *An economic perspective on Canadian immigration*, in: "Options Politiques", Juillet-Août 2010, <http://www.irpp.org/po/archive/jul10/drummond.pdf>, accessed December 11, 2010.

on the telephone, and to understand peers. Even if a person has the skills necessary but not the ability to communicate, the given skills cannot be adequately utilized.

Moreover, immigrants that search for work in the Canadian labour market cite language barriers as their major problem (32 percent).⁹ The profile of immigrant source countries has also changed. In 2009, almost 40 percent of top ten countries of origin were from Asia (China, Philippines, India, Pakistan, Iran, and Republic of Korea).¹⁰ In many cases, the existing English or French language skills of immigrants needed to be improved (such as grasping idioms or social convention) so as to be appropriate for the workplace. In order for these immigrants to succeed in Canada, official language skills training is a must.

Recommendations

That the federal government:

1. Improve the overseas preparation of immigrants enabling a pre-arrival credential assessment as well as establishing a National Qualification Framework, using the credentials assessing agencies of Australia and New Zealand as a successful reference.
2. Develop an education profile of the main source countries of immigrants in order to have a transparent and comprehensive description of their educational systems available for business and other hiring entities.
3. Work with business and professional credentials assessing/accreditation bodies to develop more flexible approaches to recognizing credentials and experience, while maintaining Canadian standards. There must be a particular focus on official language training programs for new immigrants and those waitlisted to arrive in Canada as this is a major issue for prospective immigrants and potential employers.
4. Adopt a new approach to processing immigration applications, for example doing more of it in Canada, to eliminate backlogs within 24 months.
5. Prioritize applications from foreign workers and international students based on the Occupations Under Pressure list rather than on a first-come, first-serve basis, to help speed the processing of applicants in the most needed occupations.
6. Expand the list of Occupations Under Pressure to reflect Canada's current and future labour needs as well as create labour market database for Canada which would include short- and long-term labour shortages.
7. Improve educational campaigns overseas in order to acquaint future newcomers with the Canadian labour market requirements, application processes and integration services.
8. Reinstate the e-LMO process and streamline the LMO process for any worker in an occupation on the Occupations Under Pressure list by considering the broader labour market for that skill rather than only the specific advertising efforts of each individual employer.
9. Differentiate immigration processes between professional skilled and semi-skilled versus low-skilled and non-skilled workers under the TFW Program to ensure the applications of immigrants whose skills are in highest demand are processed more quickly.
10. Consider broader information sources in determining the appropriate salary or wage level, including industry sector surveys that can often be provided by employer and employer associations.

⁹ Schellenberg, G., Maheux, H, *Immigrants' perspectives on their first four years in Canada: Highlights from three waves of the Longitudinal Survey of Immigrants to Canada*, Social and Aboriginal Statistics Division, Statistics Canada, <http://www.statcan.gc.ca/pub/11-008-x/2007000/9627-eng.htm#9>, accessed January 20, 2011.

¹⁰ Citizenship and Immigration Canada, *Annual report to Parliament on Immigration, 2009*

11. Review the connection between HRSDC, Citizenship and Immigration Canada, CBSA and firms desiring a specific skill and seeking to hire an immigrant due to lack of local talent to ensure the process is driven by a true reflection of supply and demand rather than process driven.
12. Create an Approved Employer List of employers with a proven track record of explicitly following both the letter and the spirit of the regulations, with an expanded latitude with respect to processing of temporary foreign workers. This would free up Service Canada and other government staff to scrutinize more files, and expend their time pursuing those employers and files that may not always be adhering to the intent of the regulations.