

Improving Canada's Immigration System: Visa Processes and Foreign Qualification Recognition

The projected shortfall of labour resources remains a major concern for Canadian businesses. Given an aging population and stagnating population growth, the labour shortage will require multiple coordinated solutions. Immigration can play a central role in addressing short- and long-term labour market needs. However, a number of limitations to the effectiveness of the current immigration process and challenges to full employment of immigrants continue to exist. Innovative policies are needed to attract people from around the world with the right mix of skills and talents to support economic growth. To reinvigorate the current immigration process, improvements to visa processes for various classes of immigrants and foreign qualification recognition are important places to start.

RBC Economics Research indicates that an overall labour shortage will occur as the numbers of workers available is outpaced by the number needed over the next couple of decades.¹ The shortage will affect a range of industries across various regions in the country. A 2012 parliamentary report found that 34.4% of firms in the biotechnology sector are facing skills shortages.² The mining industry estimates that by 2021, it will need to hire 3 990 skilled professionals.³ The electricity sector estimates it will need to recruit over 45 000 new employees between 2011 and 2016.⁴ The Canadian Association of Petroleum Producers (CAPP) estimates that it will need 9 500 new employees by 2015 and between 50 000 and 130 000 by 2020.⁵

Temporary Foreign Worker Program

Pending changes to the processing of permanent residents via the Express Entry system that will be introduced in 2015, many employers will rely on the Temporary Foreign Worker Program (TFWP) for workers. The old TFWP process required two-steps: the first was acquiring a Labour Market Opinion (LMO) from Service Canada, followed by a visa or work permit, provided by CIC. The LMO confirmed that there are no Canadians available to fill the position, taking approximately 4-6 weeks plus time for required advertising and recruiting. The expedited (e-LMO) process, designed to speed up the process for selected occupations, was discontinued. Throughout 2013, changes to the TFWP were introduced, limiting access and causing additional regulatory burden for users. Currently, the TFWP continues to undergo major changes, resulting in a restructuring of the program entirely. Given the federal government's commitment to redesign the TFWP, a number of concerns that were prevalent under the old system should be considered and addressed in addition to the changes.

First, the former LMO process was inaccessible, slow, and unresponsive to current labour market conditions related to pay, labour shortages, and recruitment processes. The data used during the LMO process suffers because it does not factor in localized, regional or specialized needs. Many of the recruitment advertising requirements, particularly for professional and high-skilled occupations, are out of touch with how businesses actually recruit talent. The Labour Market Impact Assessment (LMIA) should not contain the same disadvantages. However, since wage levels are replacing the National Occupational Classification as the main basis for administering the program, it is important that data on wage levels is as accurate as possible.

Second, despite the potential to benefit employers facing immediate labour shortages, the TFWP has previously been not only slow and ineffective but subject to abuse by some employers. Action is needed to speed up the processes of the program while limiting opportunity for abuse. A rigorous approved employer list will expand latitude and increase speed of processing temporary foreign workers for employers with a demonstrated history of utilizing the

¹ The Canadian Chamber of Commerce, (2012) "Canada's Skills Crisis: What we Heard: A Canadian Chamber of Commerce Report on Cross-Country Consultations in 2012".

² Report of the Standing Committee on Human Resources, Skills, and Social Development and the Status of Persons with Disabilities, (2012) "Labour and Skills Shortages in Canada: Addressing Current and Future Challenges".

³ Ibid.

⁴ Ibid.

⁵ Ibid.

program appropriately. This would also free up Service Canada to scrutinize more files, expending their time pursuing employers and files that may not be adhering to the intent of the regulations.

Foreign Qualification Recognition (FQR)

Unnecessary barriers to foreign qualification recognition (FQR) exist in many professions. In 2007, about 37% of foreign born individuals between 25 and 54 years had a university degree, compared to 22% of their Canadian born counterparts. Yet the immigrant unemployment rate is twice as high as those who are Canadian born.⁶ 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-sufficient and take full advantage of opportunities in Canada. Failure to recognize foreign qualifications and experience, leaves immigrants unemployed and under-contributing members of the Canadian economy, earning less income, paying less in taxes, and unable to afford necessary goods and services. It is important that government, business, and qualification-granting bodies improve processing times and policies for the qualification recognition of internationally-trained professionals, alleviating labour shortages and enabling labour market participation of all members of society.

There are nearly 500 professional regulatory authorities, numerous credential assessment/accreditation bodies, and hundreds of vocational institutions involved in assessing foreign credentials in 13 Canadian jurisdictions. The provinces are responsible for licensing and certifications in 55 regulated professions (15% of Canada's labour market), while employers evaluate qualifications in the other unregulated occupations (85% of Canada's labour market).⁷ This creates a complex and confusing regulatory landscape for immigrants and employers to navigate. It is difficult to obtain transparent, accountable, and systematized information about regulatory requirements. Additionally, assessments have become more complicated since the range of immigrant source countries has broadened.

The 2009 Economic Action Plan committed \$50 million to develop a framework to speed up FQR and assessment. In addition, the Pan-Canadian Framework for the Assessment and Recognition of Foreign Qualifications is in place, reporting to the Forum of Labour Market Ministers. However, given the current complex nature of the FQR landscape, the federal government should emulate successful models in other jurisdictions. The governments of Australia and New Zealand have centralized the assessment of credentials through the establishment of independent bodies.

Australia's National Office of Overseas Skill Recognitions (NOOSR) provides official information and advice on the comparability of overseas qualifications with Australian qualifications, using the Australian Qualifications Framework as the benchmark. It also provides country education profiles, which are online recognition tools for assessing overseas educational qualifications used by post-secondary institutions, professional bodies, employer, international organizations, and governments. The NOOSR assessments are guides to the educational level of an overseas qualification in terms of a qualification on the Australian Qualifications Framework. Similarly, the New Zealand Qualifications Authority established the National Education Information Center (NEIC) to provide information and advice on the New Zealand education system, secondary and tertiary qualifications, and recognition of overseas qualifications. The role of the NEIC is to provide information and advice on the recognition of foreign diplomas, degrees, other academic or professional qualifications, and on both New Zealand's education systems and education systems in other countries.

Recommendations

That the federal government :

1. For the administration of the new TFWP and during the LMIA process, consider a broader range of information sources on wage data to determine the appropriate salary or wage-level, ensuring the system and process is more responsive and sensitive to actual labour market conditions.

⁶ The Canadian Chamber of Commerce (2010). *Canada's Demographic Crunch: Can underrepresented workers save us?*.

⁷ Becklumb, P., Elgersma, S., (2008). *Recognition of the foreign credentials of immigrants*. Library of Parliament Research Publications.

2. Reinstated a version of the e-LMO process and streamlined the LMIA 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 applications received and interviewing efforts of each individual employer.
3. Directed Employment and Social Development Canada to create and administer an Approved Employer List of employers with a proven track record of explicitly following both the letter and the spirit of the TFWP regulations. Eligibility for this list must contain requirements that are rigorous enough to ensure abuse will not occur, yet it should not place unnecessary burden on smaller businesses looking to utilize the TFWP.
4. Reduced the complexity of foreign credential assessment by directing Canada's Foreign Credential Recognition Program to provide policy guidance, in addition to strategic financial support, to provincial and territorial governments and organizations involved in the credential assessment process, using the foreign credentials assessing models of Australia and New Zealand as a successful reference.
5. Developed 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 similar to what is offered in Australia and New Zealand.