

Intelligence MEMOS



From: Henry Lotin
To: Canada's Immigration Watchers
Date: June 3, 2024
Re: **OTTAWA HAS NO PROCESS TO DETERMINE SKILLS FOR HALF ALL MIGRANTS**

Federal officials do not collect complete skills data for about half of our permanent resident and temporary visa arrivals.

Without accurate information on new arrivals' skills, we cannot effectively gauge whether they are matched with employment opportunities and help address Canada's labour shortages, likely leading to missed economic potential.

Currently, data collection fall short in several key areas.

Permanent resident and temporary foreign worker applicants are asked their "intended occupation." Responses are predictably skewed to what they (and their advisers) believe at the time of their application, will result in an approval.

But they are never asked to identify other skills of value acquired in past paid employment, family business, or traditional intergenerational skills transfer.

Furthermore, the "intended occupation" information collected for permanent residency applications is gathered solely for the principal applicant, not accompanying family members. This lack of data on family members distorts our understating of the skills and social capital that immigration brings.

There are also more than 2.7 million temporary residents in Canada, most with the right to work. International students and many other temporary visa holders with work permits, including those applying for asylum from within Canada, and the CUAET (Canada-Ukraine authorization for emergency travel) visa holders, are not even asked to state "intended occupation" let alone other skills. CUAET is a visitor program, now with a path to permanent residency. International students are only asked for years of schooling and offers of admission to their chosen academic program. Those programs may be unrelated to their existing skills.

Why does this matter?

The lack of information on the skills of newcomers limits our ability to identify and support individuals with valuable, in-demand skills. For example, a June 2023 CIBC [report](#) highlights that, according to the IRCC data, only about 11 percent of work permit holders have construction occupation codes and only 2 percent of new immigrants are construction workers, compared to 8 percent of Canada's overall labour force. Is this gap a function of our choice of immigrants or incomplete data on those with construction skills? Are the skills we need already here?

Application processes need to be modified to identify skills at the point of application and to include secondary skills beyond the "intended occupation" and course of study. This need not be a burdensome bureaucratic effort for either applicants or our immigration officials, merely a modification of a few data boxes.

Additionally, voluntary surveys should be circulated to temporary residents, newly arrived permanent residents, and their family members already in Canada. The purpose must be clearly stated: To assess their skills and assist them in the Canadian labour market, even if they are not currently actively looking for work. The inclusion of principal applicants is key, as the declaration of "intended occupation" is too narrow to identify skills they may have in short supply in Canada.

Statistics Canada research [shows](#) that temporary residents disproportionately seek positions in accommodation and food service, and wholesale and retail trade sectors. They do so not necessarily by choice or match of skills, but based on family, peers and home country placement agents' expectations and experiences.

Immigration observers report that historically lower approval rates for trade skill applicants have affected choices. Furthermore, students are channelled into college business, hospitality, or other social sciences to more easily obtain and extend work visa qualifications rather than in the skilled trade or occupation in which they may have a background. The availability and lower cost of offering business programs appear to be a strong incentive for cash-strapped colleges. Recent [evidence](#) suggests that admissions processes have overlooked considerations regarding student employability and addressing labour market needs.

Many new arrivals cannot navigate the multilayered Canadian bureaucracies and seek out effective counselling. Too often, college counselling is self-serving to the institution's financial goals.

Currently, federally funded employment counselling is highly restricted for temporary arrivals, not accounting for their [growing role](#) in becoming permanent immigrants. The process where temporary arrivals that transition to permanent residency is referred to as two-step immigration. There are exponentially more temporary residents who aspire for permanent residency than visas available.

Without successful pathways in skilled trades and professions, including increased enrollment, employment and training opportunities, the promotion of these opportunities will be hindered, ultimately contributing to the under-employment of new arrivals.

Targeted immigration selections for skilled trades and other priority occupations through Express Entry, from outside Canada, are primarily a long-term strategy. However, many in skilled trades and other priority occupations, including students destined to unrelated academic programs, may not want to commit to permanent status. Canada needs a broader and deeper assessment of the entire pool of entrants.

The value of better skills data will improve the evidence-based discourse on immigration, supporting better selection and counselling, and providing more accurate understanding of actual gaps in supply, as distinct from the shortages created by barriers to entry for immigrants which we still need to overcome.

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