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CANADA

Immigration alone won't help companies that are 'starved' for workers, experts say

By Rosa Saba • The Canadian Press
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Bank of Canada governor Tiff Macklem said Thursday that recent data shows the Canadian labour market was beginning to cool, sending a signal that the central bank's efforts to constrain inflation was working. He added that a drop in job vacancies was evidence the increase in interest rates were slowing the economy. – Nov 10, 2022

Experts say Canada's plan to increase immigration may ease some pressures in the labour market, but bigger changes are needed to ensure new permanent residents are matched with the jobs that most need filling.

With the unemployment rate at historic lows, many companies are "starved" for workers, and new immigrants will help fill some of the need, said Ravi Jain, principal at Jain Immigration Law and co-founder of the Canadian Immigration Lawyers Association.

The federal government's new immigration plan calls for the admission of 1.45 million more new permanent residents over the next three years, beginning with 465,000 in 2023 and reaching 500,000 in 2025. That's compared with 341,000 in 2019.

According to Immigration, Refugees and Citizenship Canada, the plan is intended to help attract labour in key sectors, including healthcare, skilled trades, manufacturing and technology.

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"It's clear that there are real gaps, real demands, and real needs," said Naomi Alboim, a senior policy fellow at Toronto Metropolitan University and a former Ontario Deputy Minister of Immigration.

But upping immigration levels is just one way to begin addressing those needs, she said — the government's plan should be part of a wider initiative to address temporary workers, international students and a larger range of jobs.

Change is needed to ensure new Canadians are well-matched to jobs that maximize their skills, qualifications and experience, said Alboim.

Recent immigrants are less likely to see their skills and education utilized than Canadian-born workers, Statistics Canada said, and new and recent immigrants are overrepresented in certain industries, including transportation and warehousing, and accommodation and food services.

Government policies have created a mismatch between the specific skills employers are looking for and the skills of immigrants being approved, Toronto immigration lawyer Sergio Karas said.

Some of this mismatch begins with international students, said Karas. Though many international students plan to become permanent residents after they graduate, many of them aren't in programs for jobs that are in demand by immigration policies, like healthcare or trades, he said.

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International students and temporary foreign workers (TFWs) have made up an increasingly large portion of Canada's economic immigrants, or those selected for their contribution to the economy, who made up more than half of recent immigrants in 2021, Statistics Canada said.

In 2020, 67 per cent of the country's principal applicants in the economic class were previously temporary foreign workers or international students, the agency said.

But that 67 per cent is a relatively small portion of all the temporary workers and international students in Canada, said Alboim. Canada had 777,000 TFW work permit holders in 2021, and almost 622,000 international students that year, Statistics Canada said.

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Canada's dependence on temporary workers to fill long-term gaps is a huge problem, said Alboim. It creates little incentive to improve wages, conditions or supports for temporary workers, she said.

Federal immigration policy seems laser-focused on jobs requiring higher levels of training and education, said Alboim, a barrier to permanent residency for many TFWs and international students.

That's despite the fact that much of Canada's labour shortage is in jobs that require lower levels of education or experience, jobs that many temporary workers and students take on, said Alboim.

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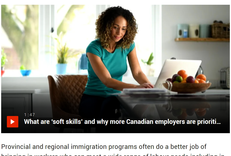
The federal government should expand its scope to prioritize more of these kinds of jobs, she said.

"There are way, way, way more people here now with temporary status that will never be able to transition to permanent residency, assuming they want to, unless the rules for permanent residency are changed to recognize that we actually need them too," she said.

However, not all the onus lies on the federal government, Jain said. One ongoing problem has been immigrants' credentials not being recognized in Canada, and while there have been some recent changes aimed at improving that, more needs to be done, he said. These credentials are the jurisdiction of provinces and territories, not Ottawa.



Provincial and regional immigration programs often do a better job of bringing in workers who can meet a wide range of labour needs including in lower-skill jobs, Alboim said, noting those programs are set to increase under the federal government's plan.

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A legislative amendment recently gave the minister of immigration the power to select immigrants for Express Entry programs based on specific qualities like occupation, but currently Alboim anticipates that use of that power will be focused on higher-level jobs.

"(There are) real needs at the high end, which immigration should certainly be focused on, but not exclusively," she said.

Jain agreed.

"My worry is that if the targeted draws get too heavy, like if it's weighted too much in terms of the proportion of people coming in, then I worry that some of these other folks will get marginalized," he said.

"There needs to be some kind of a balance."

– With files from Lee Berthiaume

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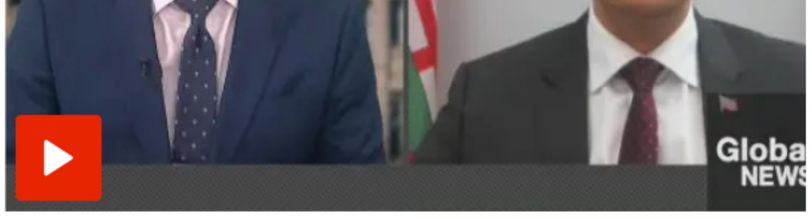

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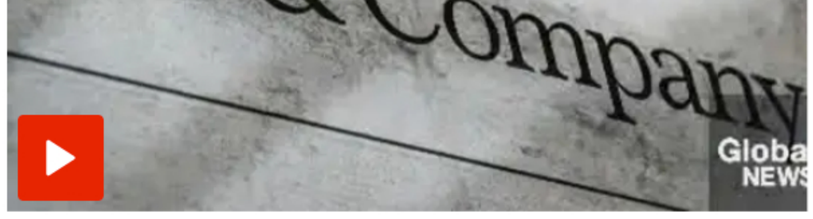

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