

CIMM: RECRUITMENT AND ACCEPTANCE RATES OF FOREIGN STUDENTS

**Immediate Action Steps to Improve Recruitment and
Acceptance Rates of Foreign Students.**

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Submitted to the Clerk of the Committee

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Submission by Earl Blaney

I thank the committee for accepting witness statements and evidence from industry stakeholders on this important topic. The issue of recruitment and acceptance rates is important to ensure Canada maximizes marketplace potential and improves export diversity.

The purpose of this submission is to provide the committee action points which can be used to address the problems faced immediately or in the very future. For practical purpose, I have limited my recommendations to two action points with brief descriptions of each. Please know the limited description and background related to each action point is intentional, for the purpose of clear and concise introduction in the committee context.

Recommendations:

- 1) Establish a link between education agents and licensed immigration service providers to improve the quality of applications being received by Immigration, Refugee and Citizenship Canada.
- 2) Establish a framework of oversight for education agents, ed-tech facilitators, and Canadian Designated Learning institutions (DLI's) (as appropriate).

1) Establish a link between education agents and licensed immigration service providers to improve the quality of applications being received by Immigration, Refugee and Citizenship Canada.

The committee should be aware that there is a high probability that increases in visa refusal rates **are the result of poor client screening and the poor quality of immigration application submissions, due to reckless expansion.** For evidence of this, the committee need only to examine IRCC data that relates to the uptick in the volume of study permit applications received from 2016 (233,000) to 2019 (425,000) (pre-COVID 19 impact being the most appropriate measure) which amounts to an 83% increase in volume¹. To the committee's attention: Recruitment efforts leading to this massive increase in application processing volume, has continued despite Canada having nearly doubled its policy planned international edu-export targets². Worth wondering aloud, with no further recruitment benchmark goal set in Canada's

¹ [Study permit application processing data](#) collected from IRCC, January 31, 2022 via Access to Information Act request. IRCC ATIP file A-2021-28352 / MI

² Government policy planners had anticipated receiving a manageable 450,000 international students by 2022; according to data from Global Affairs Canada they received 826,000 by 2019. [Global Affairs Canada Education Export Data](#) collected from GAC, December 07, 2021 via Access to Information Act request. GAC ATIP file A-2021-00950 / SB

second rendition of its International Education Strategy (2019), **just exactly how many students are we looking for? More importantly, how many can we PROPERLY support at this stage of the industry's development?**³

In the background of the dramatic, potentially limitless, processing volumes faced by IRCC officers, is the **crucially important context of how these applications are sourced**. It is no coincidence that the explosive volume of demand corresponded (**exactly**) with changes to Canada's Express Entry system that awarded points for studying in Canada. Student to PR marketing packages, typically highly irresponsible, often dangerous, are the main sales gimmick deployed by overseas education agents, who in almost all cases also act as unlicensed, unauthorized immigration service providers, and do so with the full support of Canadian DLI's. In this way, Canada's international education program was converted from an academic exercise to an ad-hoc immigration program more than half a decade ago.⁴

The vast majority of these new applicants do not fit the mold of what IRCC perceives to be a "bonafide student" simply **because they are NOT bonafide students** (by legal definition), as their primary purpose of application is long-term economic class immigration, not studies, which in almost all cases, is simply incidental. To be crystal clear, the primary export being packaged by overseas education agents, is immigration, *not education*.

While IRCC is no doubt acutely aware of this phenomenon, assessing the viability of permanent economic class immigration to Canada (dual intent) while processing study permit applications, is not something IRCC has the resources for and something education agents abroad are typically incapable of presenting. In that context, it should not be a surprise to anyone that large numbers of these types of applications are failing to pass visa officer scrutiny.

As mentioned, education agents are ill suited to this role. They have no formal training in assessing Canadian immigration pathways, little understanding of crucial Canadian labour market prospects, and yet are the gatekeepers for likely 75% of the study permit applications submitted to IRCC for consideration⁵. Further, the volume of ***new to the business*** education agents in foreign markets has exploded. While Canada lacks data sets in this area, there is little reason to

³ International Education. "Building on Success: International Education Strategy (2019-2024)". *Government of Canada*. Available: <https://www.international.gc.ca/education/strategy-2019-2024-strategie.aspx?lang=eng>

⁴ In 2016 Ministerial Instructions from Minister of IRCC extended Comprehensive Ranking System (CRS) point awards to students earning a Canadian post secondary credential was a primary factor leading to the explosion of international students in Canada from 410,000 (2016) to 721,000 (2018). (IRCC stats): <https://cbie.ca/wp-content/uploads/2018/09/International-Students-in-Canada-ENG.pdf> page 1
<https://www.international.gc.ca/education/strategy-2019-2024-strategie.aspx?lang=eng>

Greetings from the Minister of Immigration, Refugees and Citizenship, Building on Success: Canada's International Education Strategy (2019-2024)

⁵ While Canada lacks data sets due to lack of research on education agents, there is no reason to suspect that the data available in competitor countries like Australia are not reflective of the situation in Canada. [See Ministerial Media release](#) (2019) which provides a summary of the Australian government report "Strengthening the integrity of the international education sector" (75% of placements in Australia occur via education agent networks).

think the data provided by the government of Australia is inaccurate in the Canadian context. That data shows that the education agent industry is growing fastest in developing markets (ie. diversity market sources), that most of the growth represents the establishment of new small to mid sized agencies and despite the fact that 52% of education agents in use are small sized agencies, **they account for only 2% of successfully delivered enrollments** at Australian institutions.⁶ You read that dismal stat correctly.

The explosive growth of new education agents submitting immigration applications on behalf of *would-be* Canadian international students, is now out of control, fueled further, by the onset of a new model of international student recruitment called the “*aggregator model*”. Aggregators are “ed-tech” companies that sign recruitment contracts with DLI’s and then sublet these commission-based contracts out to armies of sub-agents, via profit sharing agreements⁷. Before the rise of aggregators, education agent growth was both limited and controlled by the need for DLI’s to vet and enter directly into recruitment agreements with education agents in target markets. That process has been eliminated by aggregator ed-tech online platforms, that allow worldwide connections to be made through the click of a computer mouse, with tremendous speed and convenience. Some of these sub-agent networks, boast networks exceeding 7,000 recruiting partners on the ground.

IMPORTANT for the committee’s understanding: Typically Canadian DLI’s have no direct contact with, let alone oversight over, and most often not even specific knowledge of these legions of subagent entities who are making recruitment sales pitches on the ground and preparing student visa applications.⁸ It is also highly unlikely to be a coincidence that the increase of applications from new, small, unlicensed practitioners coincided (*exactly*) with the onset of the aggregator recruitment model in Canada.⁹

Some of these aggregators claim to have “strict vetting practices”, an assurance important for their public relations positioning, but of course there is no public opportunity to verify this. Considering the expansion of an aggregator’s agent base is a key factor considered by investors in these companies, it would be hard to deny that a strong potential for conflict of interest exists. Further, even if vetting claims are accurate (requires investigation) ed-tech platforms have emerged to circumvent any vetting whatsoever.¹⁰ Similar suspect claims about improved visa

⁶ [International Education Agents: Overview Report](#), Government of Australia (2019)

⁷ [Example of aggregator recruitment contracts](#) signed with Canadian DLI’s

⁸ Although not a comprehensive list, Agent Bee (an Australian company focused on education agent screening and management) has produced [this article which includes screenshots from aggregator websites](#). The article provides some insight into the tremendous numbers involved in these sub agent networks.

⁹ [An example of an aggregator business license](#)/licensing history (staged development 2012, 2016, 2019)

¹⁰ VOBB is an ed tech company recently featured in the PIE News ed tech sector overview. It operates as essentially a brokerage firm between those who are direct recruitment agents with DLI’s and those education agents who are not, but wish to place students at a particular institution. Using this interface an education agent can log on to register (evidently with no screening whatsoever) and connect to direct recruitment license holders and arrange a

success rates using aggregator services, is also impossible to verify and further, in the context mentioned above, would appear to defy logic.

When DLI's expand their recruitment base by 200% to 1000% in one year through the use of aggregators - you turn coconut farmers, travel agents, other non-associated business people and MUCH MUCH WORSE into education agents/unlicensed immigration service providers. The full extent of the amount of money flowing to overseas agents, is undocumented but with certainty it is in the hundreds of millions and may approach a billion CAD annually¹¹. With near zero control over oversight in most target market countries, becoming an education agent is often one of the easiest new businesses to start and is certainly among the most lucrative in many of Canada's recruitment zones (ie the global south). Here education agents receive \$1,500 to \$2,000 CAD for each successful student placement, an amount that would eclipse a months salary earned in most alternate occupation. And while commission rates are attractive bonuses for these agents, commissions tied to immigration success are not their only form of profit. Most agents in the Philippines (as a market example) charge between \$1,000 and \$2,000 CAD to prepare study permit applications, a fee due regardless of the outcome of the immigration application. So, while Canadian DLI's might not end up with the student in their classroom the education agent is still well rewarded. Without access to Canadian DLI letters of acceptance, through aggregators, to support the immigration application, no business would be possible.

At worst international student recruitment practices, do not only represent a problem for visa approval rates, **bigger picture - it may pose a risk to national security**, something the Canadian Border Service Agency has referenced in previous studies related to Canada's International Study Program.¹²

Recently, an independent expert report *The South Asia Education Strategy 2020-*
25 commissioned by the Association of Australian Education Representatives in India (AAERI)

fee share agreement. In this case, for emphasis, **Paul Bernardo** (inclusive of current prison address) is now negotiating terms to recruit for the University of Manitoba. [Registration process screenshots, linked here.](#)

¹¹ The best data set available comes from the recent report "[Value for Money: Public College's Oversight](#)" Ontario Auditor General (Dec, 2021). At page 32 of the report (PDF page 34) Figure 18: Commission Paid by Public Colleges to International Recruitment Agencies* (\$ 000) shows that Ontario public colleges alone are paying out nearly 160 million dollars (pre-covid 19) to education agents. Keep in mind this data ONLY covers Ontario and ONLY covers public institutions.

¹² In 2006, the Canadian Border Service Agency published a report called "Student Fraud in the Pacific Region" a report which highlighted the CBSA's uncovering of several hundred cases of alleged fraud within the International Student Program (ISP). "Students" uncovered in the investigation were linked to organized criminal activities such as prostitution, drug trafficking and gun smuggling. CBSA concluded that student-related fraud poses risks to the immigration program's integrity, and to public safety and national security. I have tried to access the report via AITA but so far no success, the report is referenced specifically (in the context provided above) in the Canada Gazette [linked here](#)

Aside from the concerns raised over the Manitoba human smuggling death (Jan 2022) education agencies have proven connected with extremely dangerous illicit activities elsewhere including [funding terrorist networks](#)).

identified the need for transparency of sub agent recruitment networks as the “No.1 critical issue” facing education institutions in Australia.¹³

Solution: Linking overseas education agents to authorized immigration practitioners can help solve the problem of escalating refusal rates, assist with student support throughout students’ stay and dramatically improve the prospects of skills retention to support Canada’s economic class immigration goals. More inclusion and contact with authorized immigration service providers, over time, will also no doubt assist Canadian DLI’s better align their education program offerings with evolving areas of labour market shortages that ESDC and IRCC already coordinate on and immigration practitioners are already well familiar with.

Putting a functional working model together is a solution that should require less than a year to implement. Canadian DLI’s typically sign recruitment contracts with education agents that are a year long in duration (short term contracts). Before recruitment contracts are extended, the education agent would simply have to come to terms and agreement with a licensed immigration practitioner and declare the relationship before contract extension is granted by the Canadian DLI. The College of Immigration and Citizenship Consultants and respective law societies could manage a list of registered partnerships and make that information available online (similar to the DLI list used by IRCC) for improved consumer protection. Only minor adjustments to respective regulator’s “Agent regulations” would be needed to accommodate this partnership. It is worth noting that former Director General of (then) Citizenship and Immigration Canada, Carloine Melis did produce a directive in 2013 that touched on the legal requirement of DLI’s to comply with Canadian consumer protection standards in recruitment processes.¹⁴

2. Establish a framework of oversight for education agents, ed-tech facilitators, and Canadian Designated Learning institutions (DLI’s) (as appropriate).

First and foremost, it is important to keep in mind that the word “export” in the context “education export” is unique. **While we are “exporting” the product of Canadian education, to do so we need to “import” human beings.** That fact must ensure sensitivity beyond the scope applied to other export goods, ironic because so far it has not. The predominant, if not obsessive, industry wide focus on increasing volume of export, cannot be allowed to trump concerns of quality of the immigrant’s experience and outcomes. In a (near) fully unregulated environment, so far, short term gains, have very much been allowed to threaten long term

¹³ The [South Asia Education Strategy 2020-25](#) commissioned by the Association of Australian Education Representatives in India (AAERI) (October 2019).

¹⁴ [Directive to Canadian Post-Secondary institutions](#) (Citizenship and Immigration Canada), 24 May 2013, Carline Melis, Director General Operational Management and Coordination.

sustainability. As we approach the ten-year mark of the formation of Canada's International Study Program (ISP) framework (2012)¹⁵ it becomes crucial to objectively evaluate Canada's accomplishments and challenges in this field. However, it is an ongoing concern that an objective analysis may not be forthcoming. There are plenty of reasons to believe conducting an unbiased, open-minded evaluation is ill-suited to the interests of controlling parties that benefit greatly from the status quo (\$). Many of those special interests have already paraded before the Committee or are scheduled to.

Of serious concern is the increasingly insurmountable evidence that the interests of the consumer, a vulnerable demographic, due protection under Canadian law, are being trampled by the big business model that international education in Canada has become. As international students' ground level struggles with Canada's International Study Policy (ISP) begin to gain significant attention, light is shed on serious problems pervasive in all phases of the international student immigration lifecycle.¹⁶ Progress must be made to improve the security of students, to ensure more well-rounded benefits to Canada and to protect Canada's international reputation. A 21-billion-dollar industry with ZERO federal oversight or regulations is something of an anomaly in a Canadian context. The fact that the industry is built on an extremely vulnerable consumer base makes this unacceptable.

The need for a staged regulatory framework is a conclusion already reached by competitor countries like Australia and New Zealand who have begun this process long ago (Australia 2000¹⁷, New Zealand 2016¹⁸). Both countries remain committed to further development of a mature regulatory regime.¹⁹ Yet Canada has no framework in pace whatsoever, leaving respective foreign embassies to issue their own warnings to help protect their citizens from the

¹⁵ Canada's initial edu-export policy plan was formulated by a Canadian government appointed advisory panel in 2012. "International Education: A Key Driver of Canada's Future Prosperity". *Government of Canada*. Available: <https://www.international.gc.ca/education/report-rapport/strategy-strategie/index.aspx?lang=eng>.

¹⁶ For example: Dakshana Bascaramurty, Neha Bhatt and Uday Rana (6 November 2011). "[In India and Canada's international student recruiting machine, opportunity turns into grief and exploitation](#)". *The Globe and Mail*; Nicholas-Hune Brown (18 August 2021). "[The Shadowy Business of International Education](#)". *The Walrus Magazine*; [The Price of Admission](#), (4-part investigative series) Toronto Star and St Catherines Standard) Grant LaFleche, Isabel Teotonio, and Nicholas Keung (25 September 2019).

Upcoming article "The Game of Progress in Canada's International Student Policy" IMM Quest Thompson Reuters/Carswell (Feb and March issues 2022), amongst many other examples.

¹⁷ Australia's Regulatory Framework [linked HERE](#)

¹⁸ New Zealand's regulatory framework [linked HERE](#)

¹⁹ For example [in a media statement](#) Australia the Australian Skills Quality Authority said that it has identified international student delivery as a regulatory risk priority for ASQA over the 2021-22 financial year. ASQA's focus will be on "supporting providers to continuously improve and to self-assure their practices in relation to overseas students. This includes marketing, recruitment, and **practices for managing education agents**." Worth noting New Zealand also reports education agent success data [linked HERE](#) Australian government reports working on the same initiative.

New Zealand recently implemented the [Education \(Pastoral Care of Tertiary and International Learners\) Code of Practice 2021](#), building off developments in previous legislation (2016, 2019 respectively). The new code of practice is broad in scope, and aims to cover all aspects of international student health, safety and well-being. It includes processes for the engagement and management of education agents.

recognized dangers of Canadian international education recruitment²⁰. International students coming to Canada (as opposed to Australia or New Zealand) are in no less need of protection, and certainly no less deserving.

Despite the traditional impression that international students come from wealthy families and can easily afford the luxury of international education, it is crucially important that the Committee understands this is not the case in a modern context. In most regions of market growth and in almost all “diversification” target markets the per capita GDP of citizens is a fraction of Canada’s²¹. The vast majority of international students are pursuing education in Canada primarily for the prospects of permanent immigration; a better life in Canada²².

Canada’s international reputation, one of the main factors driving edu-export *or* edu-immigration has been tarnished through recent media reports which highlight concerns for both consumers and program integrity. To repair that damage, and prevent more from occurring, creating a regulatory framework is the best solution.

Aside from providing links to some relevant articles that outline many specific examples of the need of oversight, I have gone light on specific details here. I have done so only for the purpose of brevity and due to my impression that you must already understand we have a significant problem on our hands. I would only add, what appear at this stage in Canada as warning signs represent themselves as documented research through the experience of countries like Australia who have started down this path well before us.²³

What is clear, in my opinion and in my decade of experience, is that if education agents, ed-tech companies²⁴ and even Canadian DLI’s are left to their own devices, they cannot be trusted to self-police or balance their interest in economic gain with objective aims of system improvement. Allowing stakeholders who are primarily focused on growth and increased profits

20 [ADVISORY ON IMMIGRATION INTO CANADA](#) issued by the High Commission of India in Ottawa (Feb 2022). Important to note the advisory was issued after the deaths of four Indian nationals who are suspected to be a part of an ill-fated human smuggling operation, at least one of whom was reported to hold a Canadian study permit. <https://www.hciottawa.gov.in/whatsnew?id=93>

²¹ GDP per capita earnings from Global Affairs Canada (2019) priority markets ([excel data](#))

²² For example: Statistics published by the CBIE shows that 60% to 68% of international students recruited to study in Canada intend to transition to Permanent Residence (PR). CBIE. *Retaining International Students in Canada Post-Graduation: Understanding the Motivations and Drivers of the Decision to Stay*. (Page 2) Available: <https://cbie.ca/wp-content/uploads/2018/06/Intl-students-post-graduation-RiB-8-EN-1.pdf> Worth noting however these statistics are inaccurate as they are university stats heavy. The vast majority of recruitment increases have occurred at community colleges, which offer a faster and cheaper (potential) path to permanent Residency in Canada.

²³ [“Learning the Hard Way: Managing Corruption Risk Associated with International Students at Universities in NSW”](#) Independent Commission Against Corruption, New South Wales (April, 2015)

²⁴ [Note the additional fees charges](#) in this example for applications out of African countries in particular.

to control the narrative in this committee setting, is certainly not the best way of solving these problems, it will only lead to more.

Thank you,

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Note: A special thanks to AgentBee in Australia for their insight, research and excellent work in this field.