

Developing a New Permanent Residency Study Permit Application Stream:
A tool to reduce refusal rates, improve program integrity and protect consumers

CIMM: Recruitment and Acceptance Rates of Foreign Students

Submitted to Clerk of the Committee
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Why is it Necessary to Separate Study Permit Streams, Creating a Distinct Student to Permanent Resident (PR) Application Stream?

Canada's international study program has already emerged as a major source of economic class immigrants to Canada.¹ However, the prospect of edu-immigration success is being indiscriminately (often irresponsibly) marketed to an ever expanding, vulnerable consumer base overseas. Promotion is being led by parties (overseas education agents), who are poorly positioned to identify the needs of Canada's economic class immigration system and the ability of their clients to succeed in labour market integration. Further, commission (\$) driven incentives provided by Canada's designated learning institutions (DLI's) stoke this process² and are now magnified by the emergence of aggregator platforms that have dramatically expanded industry growth of overseas education agents.³ Through aggregator platforms, vast numbers of newly formed education agencies are empowered to preform recruitment and consequently unauthorized immigration support functions with minimal oversight and often low levels of expertise.⁴ Combined, this phenomenon has attracted many more applications than can be accommodated (higher refusal rates),⁵ and has led to large numbers of international students entering Canada with unrealistic expectations.

Concerns related to the problem of international students' ability to access Permanent Residency (PR) pathways in Canada can be characterized as acute. This is a concern that has a number of very serious implications, for example;

- Dramatic increases in inappropriate applications, leading to higher refusal rates.
- Impact on international students'/graduates' mental health.
- Impact on Canada's international reputation.

¹ <https://www150.statcan.gc.ca/n1/pub/36-28-0001/2021006/article/00002-eng.htm>

² "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

³ "5 Questions to ask an Education Agent Aggregator about their Sub-Agents", Agent Bee (Nov 2021) scroll down to "Sub-agent Armies" section which lists a number of aggregator self claims about enlisted sub agent numbers.

⁴ [International Education Agents: Overview Report](#), Government of Australia (2019)

Worth noting that a number of aggregator platforms provide access to recruitment options to schools in a large number of countries, to add even further challenges to the development of expertise in any one market.

For example:

<https://www.applyboard.com/blog/applyboard-has-launched-australia>

<https://www.applyboard.com/resources/uk>

<https://www.facebook.com/applyboard/posts/do-you-want-to-study-in-usa-or-canada-go-to-wwwapplyboardcom-and-answer-5-simple/1691293494448349/>

⁵ As mentioned by Hon. Sean Fraser, P.C., M.P., Minister of Immigration, Refugees and Citizenship [CIMM Recruitment and Acceptance Rates of Foreign Students Meeting 7, Thursday, February 17, 2022](#)

According to a detailed study conducted by the Century Initiative "[Scaling International Education](#)" (Fall 2019) Canada can absorb a maximum of approximately 30% of international students it receives into available immigration quota space.

- Impact on Canada’s economic class immigration needs.
- Impact on long-term sustainability of Canada’s edu-export product.

While records show that the government of Canada (in particular IRCC⁶ and Stats Can⁷) have begun to evaluate factors leading to successful student to PR transitions, only one study to date (to the best of my knowledge) focuses specifically on Post Grad Work Permit (PGWP) holders’ success in transitioning to PR. That important statistical analysis titled “*International students as a source of labour supply: Pre-immigration study in Canada and post-immigration earnings.*” published very recently (February 23, 2022).⁸

The takeaway, well noted in the abstract of that study, is as follows:

*“Although international students are increasingly considered a pool of skilled individuals for permanent residency and participation in the Canadian labour market, the role of Canadian study in economic outcomes after immigration is not well understood.”*⁹

While the government, with all of its access to data, slowly builds an understanding of what works and what does not, colleges and universities the primary benefactors of international student fees, keep very poor data sets on graduate labour force success rates, let alone immigration transition success rates, some keep none at all.¹⁰

Conversely, the recruitment arms of designated learning institutions (DLI’s), represented by commission payment driven overseas education agents, tend to promote student to PR success as inevitable. Unregulated education agents, who en-masse act as unqualified and unauthorized immigration practitioners, do so out of jurisdictional reach, but are provided lifeblood (\$) by **inside Canada** aggregator recruitment models and **inside Canada** designated learning institutions well within the jurisdictional controls of Canadian authorities.

The reckless promotion of Canada’s International Study Program (ISP) as a de facto economic class immigration program has been occurring in escalated fashion since 2016,¹¹ and all indications, including your examination of this issue at committee level, would indicate it is **completely off the rails.**

⁶ [IRCC ATIP file A-2018-14338, retrieved via ATIA November 18 2021](#)

⁷ <https://www150.statcan.gc.ca/n1/pub/36-28-0001/2021006/article/00002-eng.htm>

⁸ <https://www150.statcan.gc.ca/n1/pub/36-28-0001/2021012/article/00002-eng.pdf> (STATS CAN Jan 2022)

⁹ [International students as a source of labour supply: Pre-immigration study in Canada and post-immigration earnings](#), Stats Canada February 23, 2022, Eden Crossman and Feng Hou.

¹⁰ Niagara college program specific grad employment statistics [HERE](#)
 Fanshawe College program specific grad employment statistics [HERE](#)
 Conestoga College program specific grad employment statistics [HERE](#)
 See email exchange with the government of Nova Scotia

https://drive.google.com/file/d/17L-6jvL7-bTb0EsnOeLsru_q7bKph_Uz/view?usp=sharing

¹¹ 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):

As a clear indication that investment in Canada's edu-export industry is immigration, rather than quality of education driven, take note that the majority of the growth since the 2016 change has occurred at the community college level which offers shorter, more affordable access to CRS points (for completed Canadian education) compared to university level education.¹² Enormous increases in levels of international student enrollment are being experienced throughout community colleges in Canada, Canada-wide regardless of location of the college or its international reputation and standing.¹³

The expectation of the vast majority of prospective students (vulnerable investors in Canada's edu-export industry), at the outset, **is that student to PR transition will be the natural outcome of their investment.** It is only after they arrive in Canada, that they begin to understand how daunting, complicated and at times impossible the road that lies ahead is. The troubles connected to the onset of this unexpected reality are gaining more and more attention in Canadian and international newspapers and becoming increasingly serious in nature. Reports of international students being misled by overseas education agents, being manipulated and increasingly committing suicide are becoming common in mainstream media.¹⁴

What is clear, is that edu-immigration pathways exist already (although, unofficial), and that this pathway is receiving an accelerated number of applications. This has reached the point, that although the number of international students has substantially increased, the increases are not keeping up with IRCC refusal rates, either because the volume is too high to keep up with, or that large quantities of these applications do not fit the government of Canada's (yet to be identified) mold of what ideal Student to PR applicant should look like, and that is simply because they have not made one.

Add concerns over the potentially limitless increase in volume of applicants (note, in particular, there is no set target for incoming international students set in Canada's most recent International Education Plan, 2019 version, an anomaly when compared to the planning documents of competitor countries) vs. limitation in space of Canada's immigration targets and **we have a system that is simply overwhelmed due to lack of clear direction.**

<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)

¹² Building on Success: Canada's International Education Strategy (2019-2024) Annexes: Figure 1: Canada — Study permit holders by study level and by year in which permit(s) became effective. College: Gradually rising from approximately 40,000 in 2015 to approximately 140,000 in 2018 (a 250% increase). Conversely, international students pursuing university level studies rose from 80,000 in 2015 to approximately 120,000 in 2018 (a 50% increase).

¹³ <https://thewalrus.ca/the-shadowy-business-of-international-education/>

¹⁴ For example: <https://thewalrus.ca/the-shadowy-business-of-international-education/>

<https://www.theglobeandmail.com/podcasts/the-decibel/article-the-reality-of-life-in-canada-for-international-students/>

<https://toronto.ctvnews.ca/international-student-claims-toronto-area-restaurant-owes-her-18k-after-paying-her-below-minimum-wage-1.5707840>

<https://timesofindia.indiatimes.com/india/2000-indian-students-scammed-as-3-canadian-colleges-shut-after-bankruptcy/articleshow/89635156.cms>

See chart below¹⁵:

YEAR	Applications Submitted		Applications Approved		Approval Rate (no extensions included)	Study Permit Holders (total)	Growth Percentage
	(no extensions included)	Growth Percentage	(no extensions included)	Growth Percentage			
2016	233,378	N/A	161,634	N/A	69%	518,080	12.7
2017	307,362	31.7	205,757	27	67%	613,290	18.4
2018	342,657	11.5	227,757	10.9	66%	717,930	17.1
2019	425,884	24.3	256,137	12.5	60%	826,180	15.1

Meanwhile, while the Canadian government continues to adhere to a *hands off approach*, allowing Canada's unofficial study to PR streams to be run by less capable entities, Canada's international graduates economic output continues to suffer from PR transition uncertainties and poor labour market success.

Table 2 from a recent Stats Can report ("[International students as a source of labour supply: Engagement in the labour market after graduation](#)")¹⁶ (January 2021) shows that international graduates (PGWP holders) employment success rate has not increased significantly since the dramatic escalation of recruitment (2016 to Present). So while the overall integration rate remains statistically high, massive increases in volumes of international students in Canada, means (yearly) there become much larger numbers of unemployed (or off the books employed) international graduates lingering in Canada post graduation, unable to meaningfully integrate into Canada's labour force.

Table 2
Percentage of valid post-graduation work permit holders with T4 earnings, tax years 2008 to 2018

	Tax year										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	percent										
Sex											
Male	77	73	70	69	73	75	76	76	75	75	75
Female	79	73	68	66	68	69	71	71	71	73	73
Age group in the tax year											
Younger than 25	78	72	69	69	73	73	75	75	75	76	73
25 to 34	79	74	69	67	70	72	73	73	73	73	75
35 and older	75	71	68	68	69	71	72	72	74	77	81

¹⁵ Data Source: IRCC Applications submitted, Applications Approved, Approval rate (SP extensions not included) [HERE](#), Data Source: GAC Study Permit holders [HERE](#)

¹⁶ [International students as a source of labour supply: Engagement in the labour market after graduation](#), Stats Can, Jan 2021, Eden Crossman, Yuqian Lu and Feng Hou

Similarly, Table 3 (next page) “Median earnings among valid post-graduation work permit holders with positive T4 earnings, tax years 2008 to 2018” from the [above-mentioned report](#) shows that international graduates (PGWP holders) continue to earn significantly less than the benchmark of their Canadian/PR counterparts whose median income came in at **37,710 Canadian dollars** (2018) by comparison.¹⁷

Table 3**Median earnings among valid post-graduation work permit holders with positive T4 earnings, tax years 2008 to 2018**

	Tax year					
	2008	2010	2012	2014	2016	2018
	2018 constant dollars					
Sex						
Male	15,900	20,000	23,000	25,200	29,300	28,100
Female	13,500	17,100	19,400	20,300	23,700	25,300
Age at tax year						
Younger than 25	12,800	14,100	16,600	18,600	21,800	23,500
25 to 34	16,000	21,600	24,300	25,600	29,000	28,800
35 and older	17,300	20,800	24,000	25,200	27,300	29,000

Table 4 “Cumulative rate of transition to permanent residency among post-graduation work permit holders by selected level of study at last study permit, by years since signing year, post-graduation work permits signed from 2008 to 2016” from [the same report](#) shows that only 33% of international college graduates had attained a successful student to PR transition by the second year of their three-year post grad work permit, a permit that is at maximum granted for a three-year period (and often only one year).

Worth noting the report carries on calculations of eventual PR transitions rates of all parties that once held PGWP work permits, even well beyond the validity of those permits, including transitions that occurred for reasons not at all connected to the PGWP work program, such as PR transitions occurring via marriages or low skilled employer supported job offers leading to provincial nomination, or humanitarian and compassionate applications, for example.¹⁸ Further, limiting the data set to 2018 outcomes does not allow account for significant increases in competition amongst international grad for limited immigration quota spots that have become an issue with greatly accelerated international student growth recently.

Table 4**Cumulative rate of transition to permanent residency among post-graduation work permit holders by selected level of study at last study permit, by years since signing year, post-graduation work permits signed from 2008 to 2016**

PGWP signing year	Years since PGWP signing year									
	1	2	3	4	5	6	7	8	9	10
	percent									
Non-university postsecondary programs										
2008	12	31	49	62	67	70	72	72	73	74
2009	7	24	47	57	64	66	68	68	69	...
2010	4	30	50	66	70	72	74	74	...	...
2011	4	34	62	72	77	79	80	...	...	...
2012	5	32	57	72	78	81	...	...	...	...
2013	5	21	44	67	76	...	...	...	...	...
2014	3	16	52	74	...	...	...	...	...	...
2015	4	29	61	...	...	...	...	...	...	...
2016	7	33	...	...	...	...	...	...	...	...

¹⁷ <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110023901>

¹⁸ Clarification email received from Feng Hou (Stats Can), author of the report, received February 28, 2022.

Further still, it is also known, through other IRCC led research that the vast majority of international graduates that are successful in achieving skilled employment outcomes do so at the lowest skill level (skill level B) as opposed to higher skill levels (such as A or O).¹⁹

As per the above, If international students are to be considered “ideal candidates for permanent residency”²⁰ and if it is a fact that “Canada wants as many of them to stay as possible”²¹ the government of Canada would be well advised to engage in productive consultations, followed by the immediate implementation of Student to PR pathway study permit application streams.

Purely education-based study permit streams (requiring designated learning institutions to market their product primarily on the basis of its perceived educational value, and potentially short-term post grad work experience) **and** Student to PR streams (used specifically to address Canada’s intention of skills retention and filling REAL areas of labour market shortage) should be delineated from each other, at the onset of the application process.

Dividing Canada’s study permit application system into two distinct streams, would allow Canada to:

- **Maximize economic immigration outcomes.**
- **Manage client expectations (while enhancing consumer protection).**
- **Shift the focus back to improving quality of education programming and reputation of its learning institutions.**
- **Maintain its international reputation.**

As of now the government of Canada is allowing this process to occur without due diligence, fully controlled by parties whose primary interest is capital gain and have shown much less genuine interest in any of these other important goals.

¹⁹ For example, see page 18 of [IRCC ATIP file A-2018-14338, retrieved via ATIA November 18 2021](#)

²⁰ The Honourable Ahmed Hussen, P.C., M.P. Minister of Immigration, Refugees and Citizenship [Building on Success: International Education Strategy \(2019-2024\)](#)

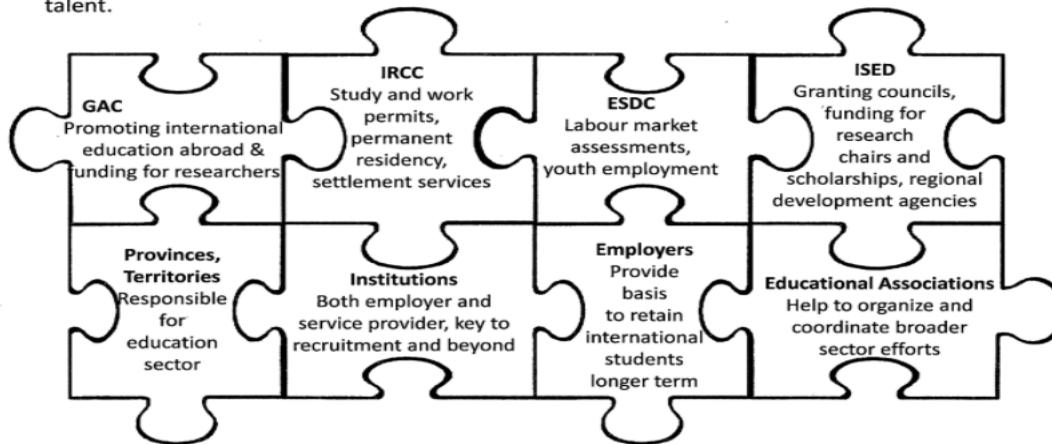
²¹ Hon. Sean Fraser, P.C., M.P., Minister of Immigration, Refugees and Citizenship [CIMM Recruitment and Acceptance Rates of Foreign Students Meeting 7, Thursday, February 17, 2022](#)

What a Student to PR Application Stream might Look Like:

There are a large number of possibilities that would require extensive consultations with key players in Canada's International Academic Sector.²² The concern is how long such consultations may take to hold, evaluate, then plan and implement. The finer details of what programs would qualify, in what regions, with what level of commitment institutions would be willing to commit to improve their support of graduate employment success, could be overwhelming, and also subject to (often) rapid changes to labour market developments, potentially shifting provincial priorities not to mention the will of designated learning institutions to support particular priorities and approaches.

Key Players in Canada's International Academic Sector

Canada's academic sector relies on multiple key players. Federal departments must align activities and work horizontally to maximize Canada's ability to attract and retain international academic talent.



However, there are fairly simple options that could be implemented quickly, to guide the separation of intake streams for purely educational purposes and intake streams for student to PR transitions.

One option would be to use the edu-employment outcomes of various education programs throughout Canada coded by Canada's National Occupation Classification system (soon to transition to the Training, Education, Experience and Responsibilities (TEER system)). The TEER classification system is different than the tool many Canadian DLI's use to classify instructional programs which is called Classification of Instructional Programs (CIP) but these can be easily equated. To some extent this alignment already exists, with DLI's in Ontario required to register NOC employment outcomes as part of new program registration with the respective Ministry (MCU), for example.

²² Page 598 of [IRCC ATIP file A-2018-14338, retrieved via ATIA November 18 2021](#)

Provincial Ministry's could simply produce a list of programs, suited to student to PR transition either because of labour market need or ambition. There is evidence on hand that Global Affairs Canada has already been working on lists of this nature for edu-export promotion overseas.²³

There are other relatively easy to implement options, which involve assessing Student to PR transition potential at the onset of study permit application process. This would involve a staged application process (similar to the 2-stage study permit application process IRCC developed during the pandemic). At stage 1, before a student was cleared to apply for a letter of acceptance from an academic program designated under the Student to PR stream, IRCC would perform a basic evaluation of the students' compatibility with long term immigration success. This would involve Comprehensive Ranking System scoring evaluations projections, cross-referencing client compatibility with provincial nomination programs and other specialized Federal program options, while predicting post grad labour market success based on Comprehensive ranking system scores, ESDC labour market data or provincial nomination compatibility. This is kind of assessment can at times be fairly complex and does require up to date, competent, evaluative tools (but could be managed well with automated support).

These kinds of assessments are already occurring at many law offices in Canada in automated fashion, and importantly do have the ability to easily identify those likely to succeed and those likely to fail, and at times even re-direct prospective students to options that will work, based on their specific background, in a slightly different area of study or in different study locations in Canada that are underrepresented by international student enrollment and therefore offer less competitive pathways to success.

These are screening processes that overseas education agents are poorly trained for, often unfamiliar with and most concerning, unlikely to perform due to the potential interference a poor result may yield on access to commission payments designated learning institutions dangle before them for sending students (the *any student, to any program* approach).

²³ [Global Affairs Canada ATIP file number #A-2021-00361](#), received Dec 09, 2021

The Role of Artificial Intelligence (AI) in Study Permit Processing:

News of the development of Hiraya Processing suite caught my attention (accidentally) in 2018 through experiences with regular submissions of temporary resident applications via the Manila embassy.²⁴ Hiraya is now known to be a pre-cursor to the Chinook system widely used as an AI tool for application processing. Noted there has been some debate between IRCC, witnesses and committee members to the degree in which these systems represent Artificial intelligence as opposed to organizational tools. That aside, independent sources appear convinced that IRCC is headed in the direction of automated decision making, relying on AI increasingly for decision making.²⁵

It should be a concern, that if models (time and resources) are being developed or implemented to use AI to decide study permit applications, before IRCC properly established student to PR streams at stage of application, these automated decision systems may be subject to the same inherent bias currently impacting study permit approvals. This would prove to be extremely counter productive in any attempt to attract and retain high quality talent through Study to PR type streams.

It is an indisputable fact, that current Study permit processing screening criteria are dramatically out of tune with criteria IRCC's own data and concept of what factors lead to successful student to PR transition in the first place. There are plenty examples of factors that lean officers toward a non-bonafide student decision (study permit refusal) that are conversely recognized in government data sets as likely to lead to increased chance of economic success in Canada.

For example;

- Older graduates tend to fair better in Canada's labour market, yet have higher rates of study permit refusal.
- Students with strong family ties tend to adapt better in Canada, leading to increased chance of labour market success; yet strong family ties in Canada continues to be cited frequently as a basis for study permit refusals.
- Students with several years of notable, highly skilled professional background (and a highly developed skill set) are often prejudiced during the study permit application process, as per the assumption/conclusion that no further education would be necessary in their case having already accomplished professional success, yet it is known to IRCC that those with records of higher earnings prior to entering Canada perform better in the Canadian labour market.

²⁴ [IRCC ATIA A-2018-54317](#), received January 21, 2019

²⁵ https://citizenlab.ca/wp-content/uploads/2018/09/IHRP-Automated-Systems-Report-Web-V2.pdf?fbclid=IwAR3LUEBpHNrxjUfi5VG_ZlQ3c0C7cDmE-Xd1kyVb9eXCns7gtf9f0bVd9c

- Applicants with a professional license (such as a nurse) are routinely refused study permits for nursing related programs, on the basis that they are already a licensed nurse and do not need further education, this despite the fact that transitioning internationally graduated nurses to roles in Canada is a well recognized an acute labour market need.
- A student with an advanced degree seeks further education in a semi-related field typically experiences significant prejudice and is commonly refused a study permit due to lack of perceived real need to further their education. Having a master's degree for example often serves as a red flag indicating that no further study is likely necessary. Yet having multiple degrees in different fields can provide a flexible foundation with which to gain labour market success in Canada and is a recognized factor in earning success.

And then there are factors that are ignored by visa officers processing study permits, but are instrumentally important in student to PR success, for example;

- Students with advanced language skills fair better in Canada's labour market, yet an increasing number of overseas embassies waive English language test requirements (as do DLI's are happy to do to promote easier recruitment) from countries where English may be an official language, but where English language development only approaches advanced standard in certain regions, at a certain socio-economic status, or at certain post secondary learning institutions (the Philippines being an excellent example of this).
- Study Direct Stream allows students to purchase Guaranteed Income Certificates (GIC's) from a Canadian bank to replace bank record history when submitting study permit applications. While this saves IRCC significant processing time while reviewing study permit applications, and facilitates higher volumes of "legitimate" (financially sound) applications, there is no record of where these supporting funds come from, and whether the money is genuinely connected to the applicant or their sponsors— increasing the risk of money lenders (often education agents themselves²⁶) being involved, and the increasing the risk of financial (eventual) financial collapse in later years of study or unbearable distress.

All of the above are prevalent examples of how necessary it is for AI initiatives to be **well-informed and adaptive**. It is my experience that IRCC as a department has rarely accomplished these benchmarks independently, without the benefit of stakeholder contributions which allow improved perspective to improve system functionality.

Thank you for considering this perspective on this important topic.
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²⁶ <https://leverageedu.com/blog/category/education-loan/Paying-the-Price-a-Deep-Dive-into-the-Students-Loan-Market>, The PIE Review , December 2021

