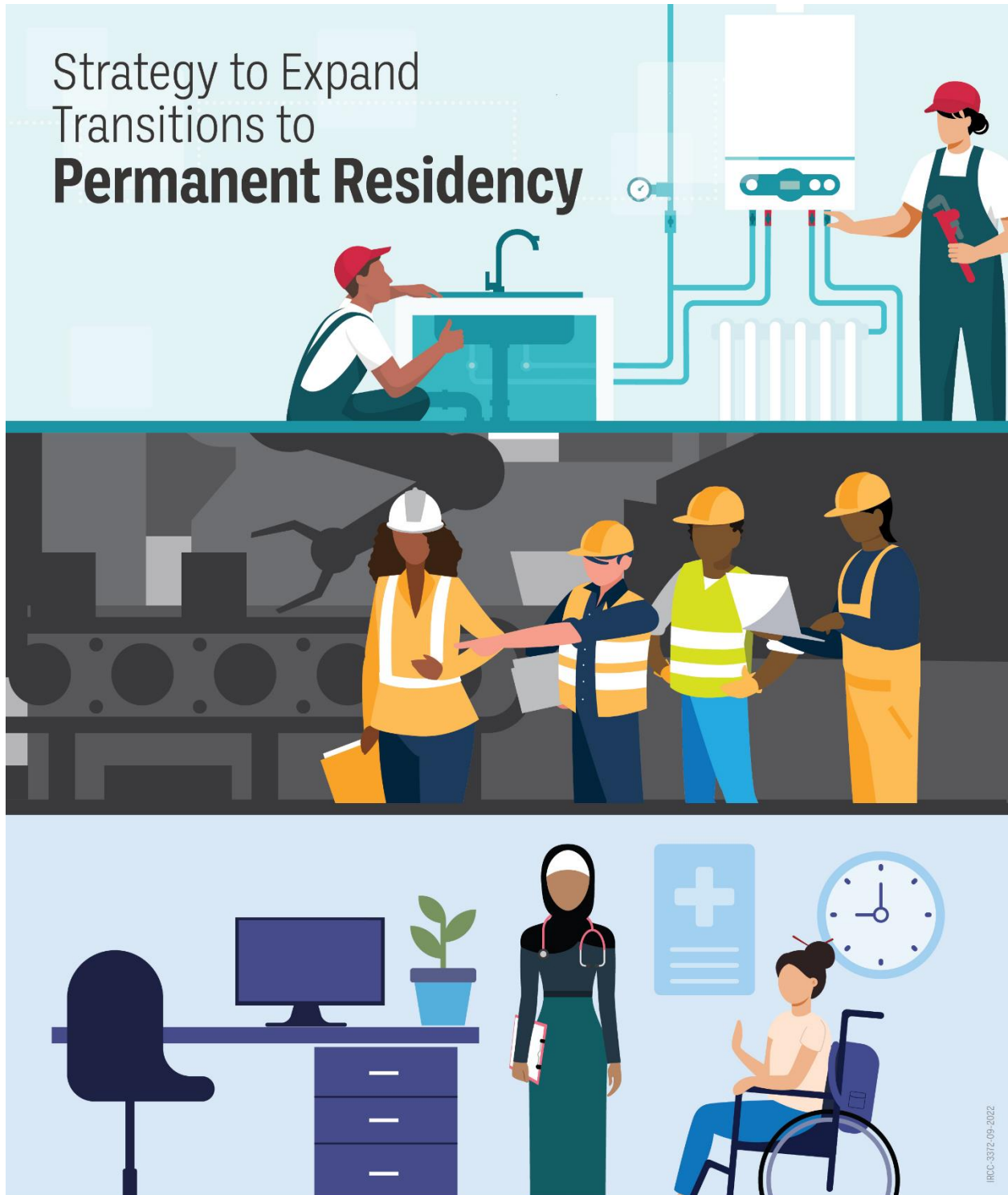


Strategy to Expand Transitions to Permanent Residency



IRCC-3372-09-2022

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Executive Summary

On May 11, 2022, Private Member's Motion M-44, introduced by Randeep Sarai, Liberal Member of Parliament for Surrey Centre, was passed in the House of Commons. The Motion calls on the Government to publicly release a plan to expand economic immigration pathways so workers at all skill levels can access permanent residency and to support greater transitions from temporary resident status to permanent resident status.

Temporary foreign workers and international students play an important role in Canada's economy and that is why the Government aims to enable greater pathways to permanent residency. Foreign workers help address the immediate workforce needs of different employers, provide a wide range of skill levels and education backgrounds, and support business development, innovation and productivity – all of which contribute to our country's economic recovery and growth. International students are a key source of talent that help grow Canada's labour force, boost productivity, and balance the impact from Canada's aging population.

Helping to transition from temporary to permanent residence is already an important feature of the Canadian immigration system. A number of our existing programs provide a pathway to permanent residence for temporary foreign workers and international student graduates across various sectors and skill levels.

When it comes to permanent economic immigration, the strongest candidates have not only the skills to integrate quickly into the Canadian workforce, but are also well-placed for success in the long term. These skills provide individuals with long-term flexibility to handle changes in workforce needs and economic downturns in the future.

This strategy sets out a range of pathways focused on increasing opportunities to transition from temporary to permanent residence, strengthening Canada's ability to meet a wide range of labour needs and address long-term labour shortages, and supporting community and regional needs. Our goal is to strengthen the connection between the labour market and our immigration programs, to ensure the Canadian economy has the broad range of skills needed across all different sectors from health, hospitality, transportation, trades and resources, IT and engineering. Simply put, we're focused on helping individuals transition from temporary to permanent residence by expanding or adjusting the existing pathways for foreign nationals who are working in Canada and seeking to stay, including international student graduates.

This will require applying the right immigration tools to strike a balance between addressing the immediate needs of Canadian employers and meeting medium-to-long term economic goals, while also being mindful of protecting vulnerable workers and ensuring opportunities for domestic workers.

Through this strategy, the Government will use a five pillar approach to achieve its objectives:

Pillar 1 uses the increased immigration levels targets outlined in the 2022-2024 Immigration Levels Plan to provide Canada with a larger, permanent labour supply. This plan increases the opportunities for more temporary workers to transition to permanent residence to help address labour market shortages and fuel our post-pandemic economic growth.

Pillar 2 aims to reform the Express Entry system, including by increasing flexibility in immigration selection tools under Express Entry, through recent changes to the *Immigration and Refugee Protection Act*. These changes will allow the Minister to respond to labour market needs and regional economic priorities, as well as to increase Francophone immigration by selecting more candidates with specific attributes, such as in-Canada experience. The Department will also review the Comprehensive Ranking System criteria under Express Entry, particularly points awarded for Canadian work experience and education, language proficiency, and a job offer. In consultation with key partners, the Minister will be better placed to ensure the labour market needs of industries and employers across Canada are being met. These changes form the foundation for the next version of Express Entry, that will include more opportunities to transition to permanent residence for workers at all skill levels.

Pillar 3 involves making improvements to permanent economic immigration programs to help the transition, from temporary to permanent residence, of essential workers in high-demand occupations. This includes:

- adopting the latest version of the National Occupational Classification (NOC) 2021, which expands eligibility to certain in-demand occupations within a number of permanent economic immigration pathways;
- improving newcomers' access to information to ensure that they meet the necessary qualifications and connecting them to federal and provincial or territorial programming;
- exploring better ways to transition essential workers who are in high demand, such as removing barriers for physicians; and,
- introducing improvements to pilot programs to support transitions to permanent residence for those working in in-home caregiving occupations as well as in the agri-food sector.

Pillar 4 aims to support communities in attracting and retaining newcomers, including through Francophone immigration. The Government supports Francophone minority communities, outside of Quebec, through measures aimed at meeting the 4.4% French-speaking immigration target by 2023. In addition, a new Municipal Nominee Program is being developed to help municipalities attract and retain newcomers to address their local labour needs. The Government also continues to work with provinces and territories, and employers on innovative pathways to permanent residence, including through the Provincial Nominee

Program, which allows provinces and territories the flexibility to adapt and evolve their immigration streams to meet their individual labour market needs.

Lastly, through **Pillar 5**, the Government is increasing processing capacity, improving client experience and modernizing the immigration system through technological improvements. These initiatives are focused on ensuring newcomers are welcomed to Canada as permanent residents as quickly as possible.

These pillars will complement the existing provincial and territorial tools that allow them to independently select candidates to meet their specific regional needs, across all skill levels.

Overview

Private Member's Motion M-44 was introduced by Randeep Sarai, Liberal Member of Parliament for Surrey Centre, on January 31, 2022. Following some proposed amendments, the Motion was unanimously agreed to and passed on May 11, 2022.

The Motion called on the Government to develop and publicly release, within 120 days following its adoption, a comprehensive plan to expand the economic immigration stream to allow workers of all skill levels to meet the full range of labour needs and pathways to permanent residence for temporary foreign workers, including international students, with significant Canadian work experience in sectors with persistent labour shortages, and such plan should incorporate six specific elements.

Motion Text

That, in the opinion of the House, the government should develop and publicly release within 120 days following the adoption of this motion a comprehensive plan to expand the economic immigration stream to allow workers of all skill levels to meet the full range of labour needs and pathways to permanent residency for temporary foreign workers, including international students, with significant Canadian work experience in sectors with persistent labour shortages, and such plan should incorporate the following elements:

(a) amending eligibility criteria under economic immigration programs to give more weight to significant in-Canada work experience and expand the eligible occupational categories and work experience at various skills levels;

(b) examining evidence and data gathered from recent programs such as Temporary Resident to Permanent Resident Pathway, Atlantic Immigration Program (AIP), Rural and Northern Immigration Program (RNIP), and Agri-Food Pilot, and Provincial Nominee Process (PNP);

(c) incorporating data on labour market and skills shortages to align policy on immigrant-selection with persistent labour gaps;

(d) assessing ways to increase geographic distribution of immigration and encourage immigrant retention in smaller communities, as well as increase Francophone immigration outside Quebec;

(e) identifying mechanisms for ensuring flexibility in immigration-selection tools to react quicker to changes in labour market needs and regional economic priorities; and

(f) specifically considering occupations and essential sectors that are underrepresented in current economic immigration programs, such as health services, caregivers, agriculture, manufacturing, service industry, trades, and transportation.

The Private Member's Motion M-44 is broadly aligned with the Government of Canada's priorities pertaining to immigration and with Immigration, Refugees and Citizenship Canada (IRCC)'s mandate to facilitate the arrival and integration of people into Canada in a way that maximizes their contribution to the country while protecting the health, safety and security of Canadians.

The Government supports this Motion. It directly aligns with the Minister of IRCC's Mandate Letter commitment to "expand pathways to permanent residence for international students and temporary foreign workers through the Express Entry system," including "[w]ith respect to pathways for agricultural temporary foreign workers," work undertaken with the Department of Agriculture and Agri-Food. It also aligns with the mandate commitment to "continue to implement an ambitious national strategy to support Francophone immigration across the country."

Facilitating transitions of temporary foreign workers and international students to permanent residence is already an important feature of the Canadian immigration system. This report provides an overview of the Government of Canada's Strategy to enhance and expand the existing pathways through which temporary residents working in Canada, including international student graduates, are able to transition to permanent residency across all skill levels. In the implementation of this Strategy, work will continue in collaboration with other federal departments, provincial and territorial governments and in partnership with communities, regional and sectoral partners, industry stakeholders, employers, and migrant organizations.

1. [Purpose](#)

This report details the Strategy to expand pathways to support transitions of international student graduates and temporary foreign workers to permanent residence. The Strategy is intended to strengthen Canada's capacity to address labour shortages and meet a full range of labour needs. It works towards this goal by leveraging the increased number of newcomers to be welcomed to Canada each year, enhancing the existing suite of immigration programs and policies, and ensuring the necessary operational capacity is in place to process the increased number of applications so newcomers can come to Canada quickly and seamlessly. In addition, IRCC is exploring new programs, policies and approaches to facilitate transitions and to increase regional retention through collaboration with communities and municipalities.

2. [Strategic Pillars](#)

In order to expand transitions of international student graduates and temporary foreign workers, and support successful transitions, the pillars of the Strategy are to:

- Leverage increased immigration levels
- Reform Express Entry and increase flexibility in immigration selection tools
- Enhance permanent economic immigration programs and pilots
- Support communities in attracting and retaining newcomers, including through Francophone immigration
- Build operational capacity

3. [Context and the Role of Immigration](#)

Canada's economic recovery from the pandemic is well underway with periods of record levels of employment and low unemployment rates in 2022. However, Canada continues to face demographic and economic challenges as essential sectors in the economy continue to need more workers to build a strong workforce. Labour market pressures are affecting nearly every sector of the economy and regions across the country. In the first quarter of 2022, Canadian employers were actively seeking to fill 957,500 vacant positions, the highest quarterly number on record, representing short-term labour shortages.¹ Over 58% of those vacancies were in jobs that required a high school education or less.² While many of these vacancies are expected to be temporary and generally easier to fill, there are a number of persistent shortages in sectors such as construction; professional, scientific and technical services; and health care, which require long-term labour market solutions given expected complex challenges, including rising skills requirements and an aging population, over the next decade.³

Immigration is one of the many tools that help provide additional labour and complements efforts to build domestic capacity. Within the immigration landscape, a portion of immigrants are selected as economic immigrants (including their spouses and dependants) for their ability to support the development of a strong and prosperous Canadian economy, in which the benefits of immigration are shared across all regions of Canada. They bring the skills our economy needs and help complement and fill gaps in our labour force that help us to keep growing as a country. They also bring expertise to businesses seeking a competitive advantage and enrich our social, cultural and economic growth.

¹ Statistics Canada. (2022). *The Daily: [Job vacancies, first quarter 2022](#)*.

² Statistics Canada. (2022). *[Job vacancies, proportion of job vacancies and average offered hourly wage by selected characteristics, quarterly, unadjusted for seasonality](#)*.

³ Bates, Chris, INDU Committee Meeting, Standing Committee on Industry and Technology, April 26, 2022. *[Evidence – INDU \(44-1\) - No. 18 - House of Commons of Canada \(ourcommons.ca\)](#)*.

At the same time, growth in temporary and permanent immigration to Canada needs to be managed to mitigate risks such as wage suppression, displacement of domestic workers and decreased incentives for capital/technological investment. The immigration system needs to also be cognizant of the broader economic context of rising inflation and rising interest rates which could slow consumer demand and economic activity and also have a negative impact on the quality of life and affordability for Canadians, including immigrants themselves.

All levels of government, and stakeholders, including educational institutions, businesses and workers, need to work together to shape Canada's future and ensure Canada's prosperity and economic growth. To address labour market tightness, in addition to immigration, in-Canada solutions include addressing barriers for underrepresented groups, providing opportunities for school leavers, training and skills development of the current labour force, providing better wages and working conditions, and finding ways to improve productivity such as capital and technological investment.

The Government has made investments in a number of areas that will help support Canadian businesses and the current labour force. Recent initiatives include helping small and medium-sized businesses to invest in new technologies and capital projects; expanding supports for student internships, including international student placements to accelerate research, innovation and technology integration, helping apprentices from underrepresented groups—including women, newcomers, persons with disabilities, Indigenous peoples, and racialized Canadians—begin and succeed in careers in the skilled trades; supporting the implementation of an employment strategy for persons with disabilities through the Opportunities Fund; as well as modernizing Labour Market Transfer Agreements with provinces and territories to ensure more workers are eligible for help before they become unemployed, while employers can receive direct support to re-train their workers.

3.1 Temporary Foreign Workers

Economic immigration, including both temporary and permanent immigration, helps Canada remain competitive and attract talent from around the world. Temporary foreign workers have played an increasingly important role in Canada's labour market, and their contributions, while working across all sectors and skill levels, have become even more apparent during the COVID-19 pandemic and Canada's economic recovery. They have supported -- and continue to support -- Canadians by filling jobs in essential industries and occupations when employers are unable to find Canadian citizens or permanent residents available to do so.

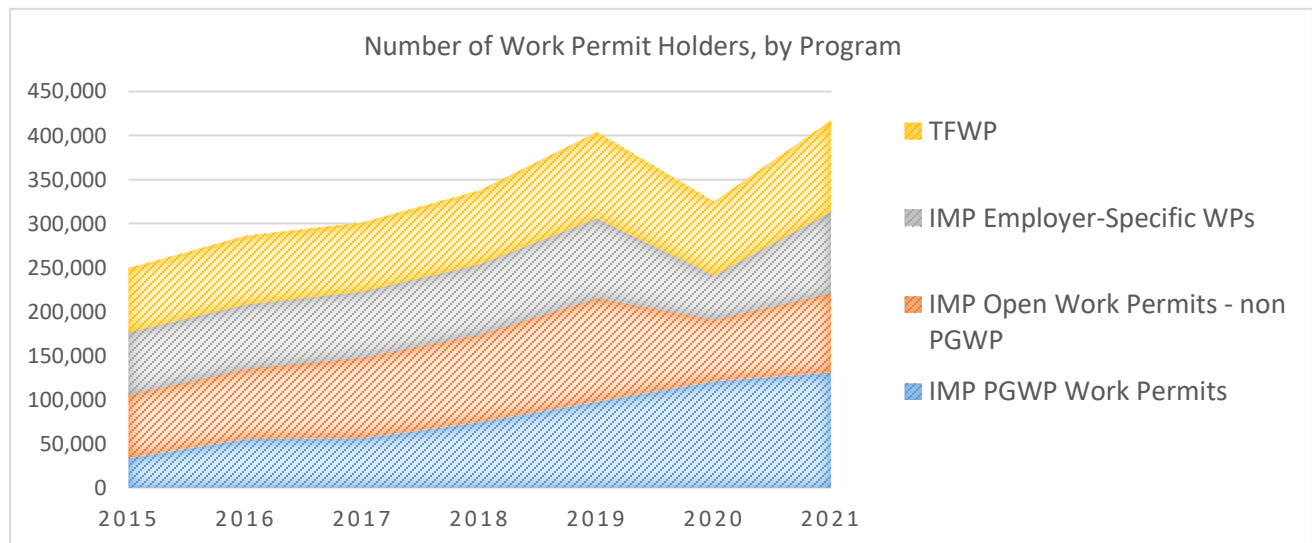
There are two overarching temporary work programs, the Temporary Foreign Worker Program (TFWP) and the International Mobility Program (IMP). The TFWP is jointly administered by Employment and Social Development Canada and IRCC, and aims to fill temporary labour and skill shortages where they cannot be otherwise met, as determined through a Labour Market

Impact Assessment. The IMP is administered solely by IRCC and allows employers to hire temporary workers without a Labour Market Impact Assessment in support of broader economic, social and/or cultural goals or where there are reciprocal benefits to Canada.

Unlike the permanent economic immigration programs, which are managed both in terms of the stream and volume of candidates selected in the Immigration Levels Plan, the temporary worker programs are largely demand-driven, although, under the TFWP, there may be limits or caps placed on the number of temporary foreign workers recruited in a specific sector or region to protect the Canadian labour market from negative impacts such as wage suppression or displacement of Canadian workers. While temporary foreign workers are often thought of as tied to a particular job and employer, the reality is that a greater proportion of work permits are issued as open work permits under the IMP, and are not employer-specific. This allows IRCC to balance the broader social, cultural and economic benefits to Canada while also addressing labour market needs as well as economic priorities.

Figure 1: Temporary Worker Figures and Trends

- The number of work permit holders in the Temporary Foreign Worker Program (TFWP) and International Mobility Program (IMP) have been increasing since program reforms in 2015.
- While there have been increases in both employer-specific and open work permit holders, the number of open work permit holders has increased by nearly 110% from 2015 to 2021.
 - Much of this demand is linked to Canada’s international student strategy, with post-graduation work permits increasing by nearly 290% between 2015 and 2021 (from 33,575 to 130,695).
 - In 2021, post-graduation work permit holders comprised approximately 31% of all work permit holders.



3.1.1 Skill Level Composition of Temporary Foreign Workers

Temporary foreign workers are a diverse group in relation to occupations and skill levels. These individuals help support the immediate need for workers in Canada across a range of skill levels that help ensure our economy can continue to grow and prosper.

A recent study undertaken by Statistics Canada and IRCC examining a 10-year transition rate of temporary foreign workers indicates the distribution of skills among temporary foreign workers was 44.4% for higher-skilled occupations (National Occupational Classification (NOC) skill level 0, A or B) and 38.6% for lower-skilled occupations (NOC skill level C and D) among those whose first work permit was issued during the period from 2010 to 2014. The remaining proportion were undetermined.⁴

The occupations that temporary foreign workers are intended to fill are numerous.⁵ Within the TFWP, workers are intended for employment in sectors such as agriculture, manufacturing, service industry, trades, transportation, select health services and caregivers. Departmental figures indicate that approximately 43% (44,200) of new work permit holders under this program were issued for general farm workers in 2021. Under the IMP, information technology (IT) occupations, including information systems analysts, computer programmers, and software engineers, were among the top 10 intended occupations associated with work permit issuance in 2021.

Overall, temporary foreign workers in lower-skilled occupations transition to permanent residency at a rate higher to, or roughly equal to, the rate of higher-skilled workers.⁶ The five-year transition rate of temporary foreign workers whose first work permit was issued during the period from 2010 to

To date, IRCC has categorized immigrants using the National Occupational Classification (NOC) 2016, which classifies occupations according to skill level and broad occupational categories.

* For economic immigration purposes, the main groups are:

Skill type 0: managerial jobs, for example, business manager, marketing manager, computer and information systems manager

Skill Level A: professional jobs that usually require a university degree, for example, computer programmers, university professor, accountant

Skill Level B: technical jobs and skilled trades that usually require a college diploma or an apprenticeship, for example, administrative assistant, food service supervisor, user support technician

Skill Level C: intermediate jobs that usually require high school and/or job-specific training, for example, child care provider, long-haul truck driver, security guard

Skill Level D: labour jobs that provide on-the-job training, for example, food counter attendant, cashier, cleaner

* In Autumn, IRCC will adopt the revised 2021 NOC.

⁴ Picot, G., F. Hou, E. Crossman & Y. Lu. (2022). [Transition to Permanent Residency by Lower- and Higher-Skilled Temporary Foreign Workers](#).

⁵ Unlike employer-specific work permits, IRCC is unable to track whether those holding an open work permit are participating in the labour market, and if so, in what capacity.

⁶ Picot, G., F. Hou, E. Crossman & Y. Lu. (2022). [Transition to Permanent Residency by Lower- and Higher-Skilled Temporary Foreign Workers](#).

2014 was 30% for lower-skilled workers, compared with 27% for their higher-skilled counterparts.⁷

3.2 [International Students](#)

Canada has long been an attractive choice for international students among global competitors. While the principal objective of the International Student Program is to facilitate temporary study in Canada, international students have played an increasingly important role in Canada's labour market.⁸ During the school term, eligible students are permitted to work an unlimited number of hours on-campus and up to 20 hours per week off-campus without the need for a work permit, as well as full time during scheduled breaks. As of the end of 2021, approximately 618,000 international students held valid study permits.

After graduation, students may qualify for a post-graduation work permit, which is an open work permit (meaning it is not tied to a specific employer) issued under the IMP. In 2021, approximately 372,000 post-graduation work permits were issued, enabling international student graduates to both contribute to Canada's labour force and gain work experience in Canada that can provide the necessary job experience required to apply for permanent residence. However, despite growing in size, the international student population has become less diverse over the past two decades with increased concentration in certain source countries, provinces of study, and fields of study.⁹ IRCC is exploring strategies to diversify the source countries for Canada's International Student Program, as well as ways to incentivize students to look beyond major urban centres when choosing a program of study. It is important to note that the rapid growth of the program has led to concerns about student vulnerability and the overall integrity of the program. The Department is working to maintain and strengthen program integrity where necessary with the goal of ensuring that students are protected from abuse.

3.3 [Economic Permanent Resident Programs and their Role in Transitions](#)

There are a number of existing permanent economic immigration programs available to temporary foreign workers.¹⁰ Through these pathways, transitions have increased significantly since the early 2000s. In 2021, approximately 168,600 individuals transitioned from temporary

⁷ Ibid.

⁸ Crossman, E., Y. Choi & F. Hou. (2021). [International students as a source of labour supply: Engagement in the labour market during the period of study. Economic and Social Reports 1\(11\).](#)

⁹ Crossman, E., Y. Choi, & F. Hou. (2021). [International students as a source of labour supply: The growth of international students and their changing socio-demographic characteristics. Economic and Social Reports, 1\(7\).](#)

¹⁰ See Annex 2 for an overview of the economic programming.

worker status (as determined by prior work permit issuance) to permanent residence, representing 64% of admissions in the economic category.

Canada's Federal High-Skilled Programs – Canadian Experience Class, Federal Skilled Worker Program, and Federal Skilled Trades Program – traditionally represent the largest economic immigration category in the Immigration Levels Plan which sets targets and ranges for overall admissions for immigration categories. In 2021, 139,460 new permanent residents were admitted through these programs, which constituted approximately 34% of total immigration.

Express Entry is the application management system, used since 2015, to select candidates in the Federal High-Skilled Programs on the basis of their ability to succeed in the Canadian economy and society over the long term (based on factors such as Canadian work experience, education, and official language proficiency). This selection approach has been successful in allowing Canada to benefit from a regular and predictable flow of skilled immigrants that employers can hire to meet their labour needs, and to grow and scale up their businesses.

The **Canadian Experience Class**, which has been in place since 2008, is a program that specifically targets the transition of high-skilled temporary foreign workers with in-Canada work experience (at least one year of skilled work experience in Canada within a three year period), including international student graduates, to permanent residency. By selecting applicants that have demonstrated their ability to integrate into the Canadian labour market, the program is intended to attract those immigrants that support global competitiveness and increase labour market responsiveness. The skill levels eligible for this program are higher-skilled, including NOC 0, A and B.

Other programs, including the **Federal Skilled Worker Program** and the **Federal Skilled Trades Program**, play a role in addressing labour market needs and transitions to permanent residency. The Federal Skilled Worker Program does not focus on transitioning temporary foreign workers, but plays an important role in providing one-step, direct to permanent residence opportunities for highly sought after workers from outside of Canada. Highly skilled immigrants (NOC 0, A and B) are eligible. The Federal Skilled Trades Program, a specialized pathway for immigrants qualified in a skilled trade, is another pathway for temporary workers looking to transition. In 2019, 67% of the 645 principal applicants that immigrated via this program previously held work permits in Canada.

The **Provincial Nominee Program**, which is jointly administered by federal, provincial and territorial governments, attracts a significant volume of temporary foreign workers and international student graduates. The Provincial Nominee Program is a long-standing program, which was introduced to increase the benefits of immigration based on the population growth, economic development and specific labour market needs of the provinces and territories while supporting the distribution of the benefits of economic immigration across the country.

Roughly half the economic admissions space is reserved for provinces and territories who offer a number of immigration pathways (including Quebec). Specifically, the 2022-2024 Immigration Levels Plan set the targeted allocations for this program at approximately 262,000 over three years. This does not include the allocations that fall under the Quebec immigration plan.

The Provincial Nominee Program receives applicants across all of the skill levels, including those with work experience and job offers in occupations at the intermediate and lower-skilled levels (NOC skill level C & D). From 2017 to 2021, 16% of principal applicants who became permanent residents through this program intended to work in NOC skill level C and D occupations.

From 2019 to 2021, the Department also provided provinces and territories with a dedicated allocation to be used to nominate workers with job offers in NOC skill level C occupations for permanent residence. Since this initiative has concluded, all provinces and territories utilizing the Provincial Nominee Program have either created pathways, amended streams or already had existing pathways for permanent residency for these workers.

Through the Provincial Nominee Program, IRCC supports provinces like Ontario and New Brunswick who have targeted specific Francophone immigration strategies including percentage quotas, as well as providing temporary foreign and overseas workers with French-speaking abilities the opportunity to apply for permanent residence in order to live and work in their jurisdictions.

The **Atlantic Immigration Program** was established as an ongoing program in January 2022, after being successfully tested as a pilot. The Atlantic Immigration Program will help enable the federal government and Atlantic provinces to prioritize key sectors and occupations to meet labour needs and support regional economic development in a context of evolving economic realities.

The 2020 pilot evaluation found that the pilot was on track with design in supporting the region's employers in filling their labour needs and increasing the retention of immigrants, particularly in technical occupations and skilled trades (NOC B) and intermediate level occupations (NOC C) and also in sectors such as services, trades, transportation and manufacturing (particularly the fish and seafood sector).¹¹ An exception was included, which allows highly skilled health care workers (i.e., nurses) to accept jobs at a lower skill level (i.e., nurse aides/orderlies) enabling these individuals to immediately start working in this in-demand sector while they explore the option of upgrading their credentials.

In 2021, the Atlantic Immigration Pilot welcomed approximately 4,900 permanent residents to Atlantic Canada, many with previous Canadian work experience. In order to continue to address

¹¹ Immigration, Refugees and Citizenship Canada. (2020). [Evaluation of the Atlantic Immigration Pilot](#).

the Atlantic's regional challenges, the 2022-2024 Immigration Levels Plan has set targets for the program for a combined 19,250 new permanent residents over a three year period.

The **Rural and Northern Immigration Pilot**, an innovative community-based pilot with 11 participating communities, was introduced in 2019 to attract and retain foreign talent in smaller communities facing economic and demographic challenges. Included under this pilot is a pathway to permanent residence for international student graduates that completed post-secondary education in the community and for workers with needed skills and attributes. The pilot offers flexibility to allow communities to respond to evolving economic needs, including the ability to prioritize candidates in in-demand fields such as health care. All skill levels (NOC 0-D) are eligible under this program.

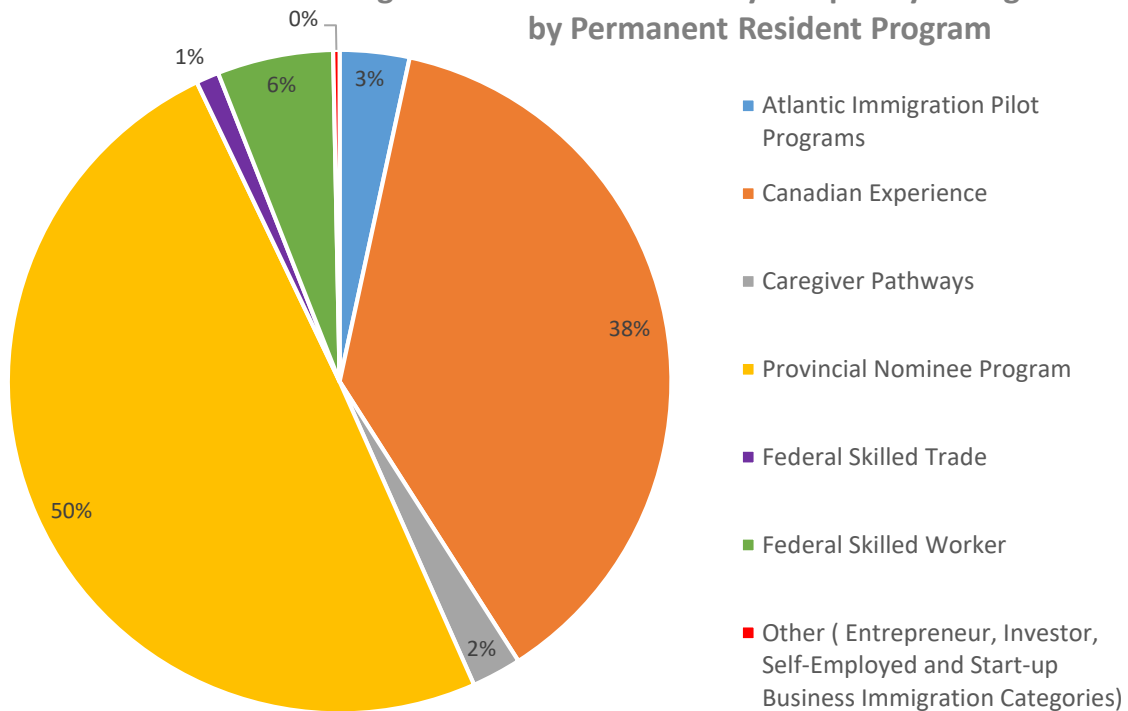
The **Home Child Care Provider and Home Support Worker pilots** were launched in June 2019, to provide a clear and direct pathway to permanent residence for in-home caregivers. In 2021, more than 2,800 caregivers and their family members were admitted to Canada.

The **Agri-Food Pilot** was introduced in 2020 to test an industry-specific pathway to permanent residence for temporary foreign workers in the agriculture and agri-food sector. This pilot is intended to help address areas of labour shortage in certain industries in the sector, such as meat processing, greenhouse and mushroom crop production and livestock raising. The pilot is open to the intermediate and lower-skilled levels (NOC B, C and D), which are highly represented in these industries.

This figure provides a snapshot of the pathways within the economic immigration programs used by permanent residents with previous work experience in Canada as temporary foreign workers.

The predominant programs for those that transitioned to permanent residency in 2019 were the Provincial Nominee Program (50%) and the Canadian Experience Class (38%).

Figure 2: 2019 Transitions by Temporary Foreign Workers by Permanent Resident Program



3.4 Facilitating Immigration During the COVID-19 Pandemic

In response to COVID-19 pandemic-related travel restrictions and border closures, IRCC responded with innovative solutions focused on Canada’s economic recovery and the delivery of the Department’s mandate, core programming and critical services.

In 2021, a time-limited **Temporary Resident to Permanent Resident Pathway** targeting recent international graduates and essential workers saw over 91,000 applications. Over 130 essential occupations at various skill levels in areas including those raised in the Motion, such as health care, caregiving, agriculture, manufacturing, service industry, trades and transportation, were

eligible. Dedicated streams for French-speaking and official language bilingual temporary residents were included. Close to 24,000 new permanent residents were admitted through this pathway in 2021 and over 31,000 more have been admitted to the end of July 2022, or approximately 78% of the 40,000 planned admissions for 2022. A further 32,000 admissions are planned in 2023.¹²

The intended occupations of those admitted to date has varied significantly with notable concentrations in: administrative assistants; user support technicians; food service supervisors; retail sales supervisors; home support workers; cooks; security guards and related services; material handlers; transport truck drivers; and cashiers. The intended skill levels of principal applicants admitted to date tended to be at the higher end of the spectrum: 44% being skilled and technical workers (NOC B), 8% professional (NOC A), and 4% managerial (NOC 0); 32% were employed in intermediate-skilled jobs (NOC C) and 11% in occupations requiring no formal education / on-the-job training (NOC D).

In June 2022, new measures came into effect for those who applied for permanent residence through the Temporary Resident to Permanent Resident Pathway as the processing of applications is anticipated to continue into 2023. These changes include:

- Applicants no longer being required to remain in Canada while their application is being processed.
- Applicants who apply for a work permit while waiting for their permanent residence application to be finalized will be able to get open work permits issued to them under a temporary public policy valid until the end of 2024. This will ensure that all permanent residence applications will be finalized before applicants will need to apply to extend their temporary status again.
- To support family reunification, family members who are outside Canada and who were included in a principal applicant's permanent residence application will be eligible for their own open work permit.

Additionally, in February 2021, to support immigration during the pandemic, the Department issued invitations to apply for permanent residence to all candidates in the Express Entry pool eligible for the Canadian Experience Class (CEC) as the great majority of these candidates were already in Canada. This was the largest single draw in the history of our Express Entry system. In total, 99,653 invitations to apply to the CEC were issued in 2021, representing 87% of all Express Entry invitations issued in that year.

¹² Government of Canada. (2022). [Notice – Supplementary Information for the 2022-2024 Immigration Levels Plan](#).

3.5 Temporary Resident Transitions Trends and Outcomes

A dominant and increasing feature of the Canadian immigration system is the extent to which it is deliberately geared towards creating and facilitating transitions between temporary and permanent residency. The largest economic selection programs specifically look to attract and retain temporary foreign workers and international student graduates who have acquired Canadian experience, through criteria and points (e.g., Canadian Experience Class, Provincial Nominee Programs, and Express Entry's Comprehensive Ranking System for selecting among high-skilled candidates).

3.5.1 Rate of Transition Among Temporary Residents

The rate of temporary to permanent transition has increased considerably over the last two decades. Just prior to the pandemic, the rate of transition grew by 27% in the three year period of 2017 to 2019 (based on prior work permit issuance). This trend has been augmented by the recent introduction of several new pathways that all have dimensions of temporary to permanent resident transitions, either on a geographical basis (Atlantic Immigration Pilot/Program; Rural and Northern Immigration Pilot) or on a sectoral basis (Caregiver Pilots; Agri-Food Pilot). From 2019 to 2021, the rate increased more than 1.5 times in part due to the significant number of invitations to apply issued under the Canadian Experience Class.

In 2019, a total of 63,000 individuals transitioned from temporary worker status to permanent residence. This represented 18% of total immigration (permanent residence), but was a much larger portion (30%) of all economic admissions. This figure increased to new highs in 2021 due to the Government's shift in transitioning temporary residents in response to the COVID 19 pandemic. As such, in 2021, 42% of total permanent immigration and 64% of all economic immigration were worker-to-permanent residence transitions.

In terms of international students specifically, in 2021, 39% (or approximately 157,000 individuals) of all new permanent residents had previously held one or more study permits. Roughly 88,000 of these transitioned directly from post-graduation work permits. Research indicates that almost three-quarters of all post-graduation work permit holders transition to permanent residence within five years of obtaining this type of work permit.¹³

¹³ Crossman, E., Y. Lu & F. Hou. (2022). [*International students as a source of labour supply: Engagement in the labour market after graduation. Economic and Social Reports 1\(12\).*](#)

3.5.2 [Results and Outcomes of Two-step Immigration](#)

In general, there are a number of advantages to selecting permanent residents among the pool of temporary residents.¹⁴ It combines the beneficial attributes from both demand-driven (employer based) and provincial/federal economic immigration selection systems, with the objective to improve outcomes for immigrants, employers, society and the economy. It may result in better job-skills matches and also facilitate the recruitment and retention of immigrant workers to build up populations and fill regional labour market needs in areas outside large metropolitan cities.

Immigrants with previous temporary Canadian work experience generally have better labour market integration, and are unlikely to experience the same degree of difficulty with the transferability of their human capital. They may also have acquired a relevant social network and soft skills in the context of the Canadian workplace.¹⁵

However, there are possible negative consequences of two-step immigration. One potential risk is that some temporary foreign workers may be subject to exploitation and poor working conditions. Reports have shown that vulnerable workers with insufficient supports can be induced to endure conditions including underpayment, excessive hours and unsafe workplaces, out of the desire to obtain permanent residency.¹⁶ Temporary foreign workers may also displace domestic workers and put downward pressure on wages. Relying on a large supply of low-cost foreign workers may also reduce incentives for employers and governments to improve training for domestic workers. Furthermore, employers in search of cheap labour may prioritize short-term demand over longer-term competitiveness, as research suggests that employer-sponsored immigration programs are not effective in addressing the long-term needs of the labour market and broader economy.¹⁷

Permanent residents with previous Canadian work experience are generally a heterogeneous group in terms of skills, and economic outcomes vary significantly among the different groups when compared to those without Canadian work experience.¹⁸ For example, former temporary residents with work permits for skilled jobs were found to have had much higher initial earnings than immigrants without any prior Canadian experience. In contrast, former temporary

¹⁴ Crossman, E., F. Hou & G. Picot. (2020). [Two-Step Immigration Selection: A Review of Benefits and Potential Challenges](#).

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ Crossman, E., F. Hou & G. Picot. (2020). [Two-Step Immigration Selection: A Review of Benefits and Potential Challenges](#).

¹⁸ Ibid.

residents with work permits for non-skilled jobs were found to have significantly lower initial earnings than immigrants without any prior Canadian experience.¹⁹

A recent report²⁰ also shows that employment incidence differs among income levels and gender. Almost all immigrant men and women who had medium to high annual earnings in Canada before immigration, continued to be employed in the first full year after immigration. For those who had low earnings (>\$0 - <=\$20,000) or no earnings, the percent was 89% and 82%, respectively for men and 80% and 55%, respectively for women.

A report has also shown that economic immigrants with prior Canadian work experience in lower-skilled occupations had significantly lower earnings at the time of arrival and slower earnings growth than immigrants without prior Canadian experience. This may be a potential limitation of employer selection that temporary foreign workers who were specifically recruited to work in low-paying, lower-skilled jobs may not have the ability to move to higher-paying jobs after obtaining permanent residence or after losing their job.²¹

Overall, analysis has shown that there is a long-term advantage in earnings among economic immigrants with pre-immigration Canadian earnings. The advantage for immigrants with low earnings was small but tended to grow over time, from about 5% higher earnings relative to those without pre-immigration earnings in year one to 9% in the 10th year (for the 2000 to 2005 cohort, adjusted results²²). Similar immigrants with medium-level earnings earned 38% more in year one and 13% in the 10th year. Immigrants with high-level earnings earned 4.2 times more in year one and 2.1 times in the 10th year.

3.6 Considerations

Temporary foreign workers and international students are often seen as desirable candidates for employment and permanent economic immigration because of the integration they have

¹⁹ Hou, F., & A. Bonikowska. (2018). "Selections before the selection: the earnings advantage of host-country work experience before permanent residence." *International Migration Review* 52 (3): 695-723.

²⁰ Hou, F., E. Crossman & G. Picot. (2020). [Two-step Immigration Selection: Recent Trends in Immigration Labour Market Outcomes](#).

²¹ Hou, F., & A. Bonikowska. (2018). "Selections before the selection: the earnings advantage of host-country work experience before permanent residence." *International Migration Review* 52 (3): 695-723.

²² Based on multivariate model estimates controlling for differences in source region, education level, official language knowledge, age at landing, immigration category, province of residence, and urban size. Hou, F., E. Crossman & G. Picot. (2020). [Two-step Immigration Selection: Recent Trends in Immigration Labour Market Outcomes](#).

already initiated in Canadian workplaces, and in establishing cultural and social networks in Canada.

The economic immigration class is the largest source of permanent resident admissions to Canada. In 2021, 252,971 (or 62%) of the total 405,999 immigrants were admitted under the economic class including spouses and dependants. At the same time, there is an even greater number of temporary residents working and studying in Canada. For example, in 2021, there were roughly 444,800 study permit holders and 415,000 work permit holders highlighting that there are not enough spaces to permit all temporary residents to obtain permanent residence in a given year.

While many temporary residents pursue permanent residency in Canada, not all temporary residents who come to Canada have the sole intention of remaining to stay. It is also important to recognize that temporary residency is granted in its own right, either for studying or working temporarily in Canada.

In addition, it is important that Canada continues to offer some pathways to attract those with diverse skills, backgrounds and talent among those globally who may wish to emigrate to Canada without previous Canadian work or study experience.

While economic immigration is the main driver in the immigration system to help with labour market needs, newcomers who obtain permanent residence through the other two main classes of immigration (family reunification and refugees) also contribute to the economy and participate in the labour market.

On addressing persistent labour shortages now and in the future, all stakeholders, including governments, educational institutions, employers, industry stakeholders and workers, will need to work together to shape Canada's future and ensure Canada's long-term prosperity and economic growth.

4. [The Strategy](#)

In addition to the various pilots and programs that provide opportunities for temporary foreign workers and international students to become permanent residents, the Government has developed a Strategy to further expand the transition of temporary residents to permanent residence through a number of additional measures.

The approach, as laid out in the Strategy below, provides five pillars that aim to increase transitions and address labour market needs, while taking into account regional challenges and other considerations with two-step immigration selection through a range of measures which will require close consultation and partnership with provincial and territorial governments.

4.1 [Pillar 1: Leverage Increased Immigration Levels](#)

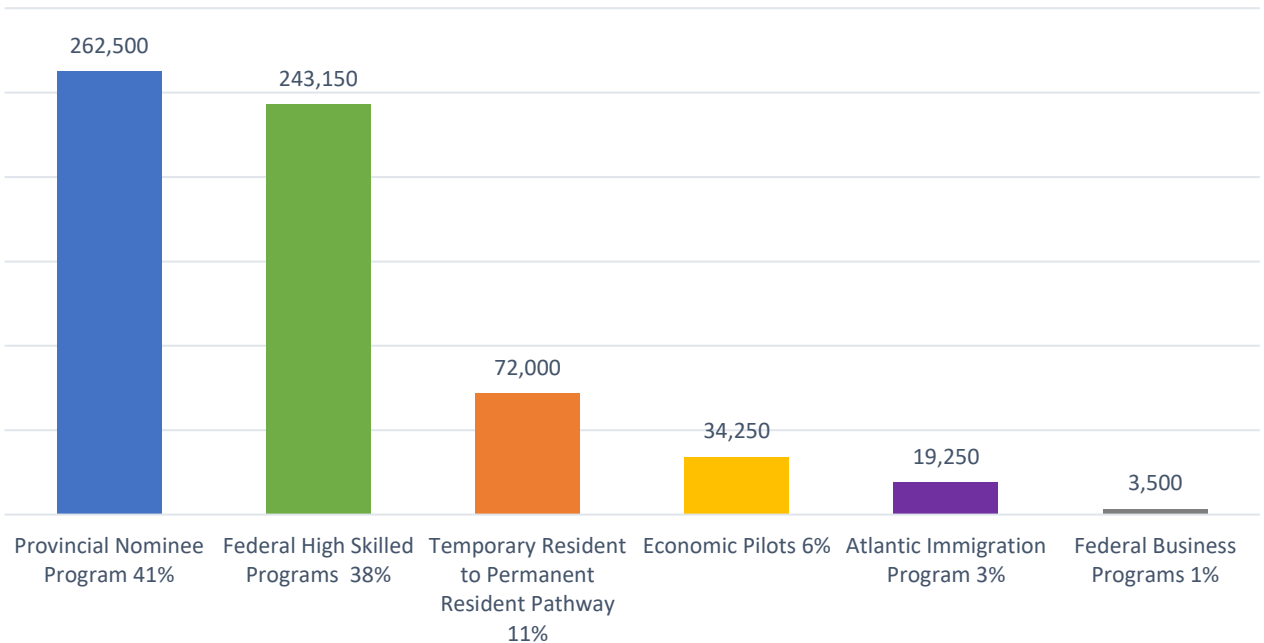
In the [2022-2024 Immigration Levels Plan](#), Canada has set ambitious immigration levels targets to welcome 431,645 new permanent residents in 2022, 447,055 in 2023, and 451,000 in 2024, an immigration rate of approximately 1% of Canada's population. This increase in immigration levels is a foundational measure intended to address labour market tightness by providing Canada's labour market with a larger permanent labour supply and support Canada's economic recovery and continued growth. The plan will allow more workers than ever before to transition from temporary to permanent residence under a suite of programs.

This Levels Plan aims to balance the level of growth with the time and resources required by the federal, provincial and territorial governments, as well as stakeholders, to plan and prepare to welcome newcomers. This includes ensuring that communities have the capacity to absorb new demands on infrastructure such as housing, health care, education, transportation and settlement services, and that governments are able to process a growing number of applications of varying complexity in a timely manner.

The 2022-2024 Immigration Levels Plan is designed to provide for the growth of regional economic programming and it is anticipated that these programs will increase opportunities for temporary foreign workers and international student graduates across a range of skill levels to transition to permanent residency. These programs, with increased admission spaces, include the Atlantic Immigration Program, the Rural and Northern Immigration Pilot and the Municipal Nominee Program following program launch. It is also expected that a significant proportion of permanent residents will transition through established programs such as the Provincial Nominee Program and the Canadian Experience Class, in addition to the Temporary Resident to Permanent Resident Pathway which has planned admissions for 2022 and 2023. To this end, the Department has been working with provinces and territories to better facilitate workers' transitions to permanent residency through the Provincial Nominee Program, including through allocating a higher number of spaces.

The forthcoming 2023-2025 Immigration Levels Plan will be tabled in Parliament no later than November 1, 2022. Figure 3 below shows the admissions allocations by economic program (excluding the Quebec Skilled Worker and Business Programs).

Figure 3: Levels admissions allocations by economic immigration, combined 3 year targets (2022-2024*), in number of individuals



*Federal High-Skilled Programs include the Canadian Experience Class, the Federal Skilled Worker Program and the Federal Skilled Trades Program. Economic Pilots include Caregiver Programming, Agri-Food Pilot, Rural and Northern Immigration Pilot, the Economic Mobility Pathway and the Municipal Nominee Program following program launch. The Federal Business Programs include the Start-up Visa Program and Self-employed Persons Program.

4.2 Pillar 2: Reform Express Entry and increase flexibility in immigration selection tools

In order to increase flexibility in the immigration system and better address labour market needs, the Government of Canada recently introduced, and Parliament passed, legislative amendments to the *Immigration and Refugee Protection Act* via Bill C-19 (*Budget Implementation Act*). The legislative amendments increase flexibility in the Express Entry system and grant the Minister with the authority to establish categories of candidates with particular attributes, and invite the top-ranked among them to apply for permanent residence. The Department is assessing how to best use the new tool to help meet Canada’s labour market needs, including considering selection based on attributes such as French language skills, specific educational credentials, occupation-specific work experience, working in Canada, and other ties to Canada.

The legislation requires that categories be linked to the attainment of an economic goal, that the Minister consult with partners and stakeholders prior to establishing a category, and that the Minister report, on an annual basis, to Parliament regarding the usage of the new authorities.

The implementation of these new authorities will require changes to IRCC's IT systems. These changes will help the Department work towards a modernized and digitalized immigration system with the goal to transform client service and improve the efficiency of Canada's immigration system. The exact timing of the implementation for this measure has yet to be determined; however, IRCC anticipates these changes being in place by Spring 2023. They will be applicable to the suite of programs (the Federal High-Skilled Programs) currently managed through Express Entry.

The Department will work with its provincial and territorial partners on the implementation of these new authorities, and will consult with a wide range of stakeholders, including employers and industry, to help determine priorities and categories to target labour market needs more efficiently to meet the Government's economic goals.

On July 28, 2022, the Forum of Ministers Responsible for Immigration (FMRI) met and discussed the future of Canada's immigration system. Ministers supported greater Federal-Provincial-Territorial collaboration on a range of issues including on programs and pathways to help people transition from a temporary status to permanent residency, and the role of provinces and territories in immigrant selection. The Department will share information to ensure that provinces and territories can give informed input and plan for the federal government's targeted draws from the Express Entry pool, in addition to those draws regularly made for candidates nominated under the Provincial Nominee Program.

In concert with the new more flexible selection mechanism, the Department is undertaking a review of the Comprehensive Ranking System criteria under Express Entry, particularly assessing how points are awarded for Canadian work experience and education, language proficiency, and a job offer, with a view of increasing opportunities for workers in Canada to transition to permanent residency.

In addition, the Department is currently carefully assessing recent innovative selection measures such as the Temporary Resident to Permanent Resident Pathway, and the use of targeted Canadian Experience Class draws, which focused on workers and graduates in Canada, in order to determine lessons learned and apply the insights gained to other programs.

Taken together, the above measures will result in transformative changes to the Express Entry, and translate into more opportunities to transition to permanent residence for workers at various skill levels in a more diverse list of sectors.

4.2.1 Review Rules Surrounding Temporary Residents

The Department is currently undertaking a review of the International Student Program, including its rules and authorities in the context of transitions from temporary to permanent residence. This includes seeking the views of provinces and territories, as well as education sector stakeholders. As part of the review, the Department is examining the application of dual intent provisions to clarify how the intent to remain in Canada eventually through one of the permanent residency pathways and the requirement to leave at the end of the authorized stay are assessed, with a view to improve consistency in decision-making and welcome more talented students who will become permanent residents in the future. Applicants with such a dual intent must meet the applicable legislative and regulatory requirements to become a temporary resident, including satisfying an officer that they will only stay in Canada so long as they remain authorized to do so, just as they must eventually meet the applicable legislative and regulatory requirements to become a permanent resident. Guidance relevant to the international student context for officers on how to assess temporary residence, financial requirements and associated criteria is being reviewed in order to promote consistency and fairness amongst decision-makers.

The Department is also considering the possibility of implementing a measure to allow the issuance of open work permits to family members (i.e., spouses/common-law partners and dependants) of all foreign workers in Canada who hold a work permit, including a post-graduate work permit, valid for a duration of at least six months, with some exceptions. This approach would respond to the family reunification mandate priority and provide an additional source of labour for Canada.

4.3 Pillar 3: Enhance Permanent Economic Immigration Programs and Pilots

4.3.1 Implementation of National Occupational Classification (NOC) 2021

IRCC will implement the most recent version of the [National Occupational Classification \(NOC\) system](#)—NOC 2021—in November 2022 in alignment with Employment and Social Development Canada. The NOC is used nationally to describe and classify Canadian occupations. It undergoes major revisions every ten years based on a comprehensive analysis of the Canadian labour market.

NOC 2021 is the latest major revision, which among other structural changes, replaces the classification's current Skill Type and Level structure with a new six-category system representing the level of Training, Education, Experience and Responsibilities (TEER) required for entry in an occupation.

NOC 2016	NOC 2021
Skill Type 0 Management Occupations	TEER 0 Management Occupations
Skill Level A Professional Jobs – usually require a university degree	TEER 1 Occupations usually require a university degree
Skill Level B Technical Jobs and Skilled Trade Jobs – usually require college education, specialized training or apprenticeship training	TEER 2 Occupations usually require a college diploma or apprenticeship training of two or more years; or supervisory occupations
	TEER 3 Occupations usually require a college diploma or apprenticeship training of less than two years; or more than six months of on-the-job training
Skill Level C Intermediate Jobs - usually require secondary school and/or occupation-specific training	TEER 4 Occupations usually require a secondary school diploma; or several weeks of on-the-job training
Skill Level D Labour Jobs - On-the-job training is usually provided	TEER 5 Occupations usually require short-term work demonstration and no formal education

Adopting NOC 2021's new structure will allow the Department to incorporate a more nuanced definition of skill within its immigration programs, providing foreign nationals with work experience in 16 additional occupations with access to the programs managed under Express Entry, including the Canada Experience Class, the key federal program that facilitates transitions to permanent residency. Foreign nationals with work experience in these occupations will continue to have access to the regional economic pathways where they are currently eligible.

Occupations to Become Eligible for the Programs Managed Under Express Entry
Payroll administrators
Dental assistants and dental laboratory assistants
Nurse aides, orderlies and patient service associates
Pharmacy technical assistants and pharmacy assistants
Elementary and secondary school teacher assistants
Sheriffs and bailiffs
Correctional service officers

By-law enforcement and other regulatory officers
Estheticians, electrologists and related occupations
Residential and commercial installers and servicers
Pest controllers and fumigators
Other repairers and servicers
Transport truck drivers
Bus drivers, subway operators and other transit operators
Heavy equipment operators
Aircraft assemblers and aircraft assembly inspectors

In 2021, approximately 5,000 work permit holders had a permit issued under the Temporary Foreign Worker Program or the International Mobility Program to work in these occupations. An additional 2,850 work permit holders in these occupations had a permit issued between January and July 2022, over 90% of whom were working as truck drivers and nurse aides. Their inclusion in the programs managed under Express Entry will maximize the opportunities for them to become permanent residents.

4.3.2 [Foreign Qualification Recognition Process Improvements](#)

The Department is working with partners to make collective advancements on foreign qualification recognition (FQR) in Canada. IRCC is focused on improving newcomers' access to information on foreign qualification recognition and connecting newcomers to federal and provincial or territorial programming. This targeted approach aims at ensuring that newcomers, including those who wish to transition from temporary to permanent residency and work in their qualified field, are able to make well-informed decisions concerning their economic integration and are aware of supports available in the credentialing process. As part of this work, the Department is funding two pilot projects under the Service Delivery Improvement fund that are testing approaches to enhance support and improve access to resources for internationally educated newcomers within the health care sector, with:

- **Alberta International Medical Graduates Association** to improve access to resources for internationally trained medical graduates through the use of online platforms to ensure they have a career plan in place and that they are equipped with the necessary tools and support to seek employment; and
- **Children's Hospital of Eastern Ontario (CHEO)** to address accreditation challenges experienced by internationally educated health care professionals (IEHP). CHEO is working with over 250 partners to enhance and expand an inter-sectoral community of practice that will build professional networks and increase access to resources to help IEHPs understand and overcome barriers to credential recognition.

The Department's work complements that of Employment and Social Development Canada – the federal lead on the Foreign Credential Recognition Program with an annual budget of \$27.1M for this program. Budget 2022 announced an additional \$115M over five years, with \$30M ongoing, to expand the Foreign Credential Recognition Program with an initial focus on supporting internationally educated health care professionals integrate into the Canadian labour market. Since 2015, the Program has invested nearly \$125M in 90 projects to support skilled newcomers. Over 4,300 skilled newcomers have been supported through direct employment supports and thousands more through systems improvements. In addition, since July 2018, more than 17,000 skilled newcomers received loans and/or support services.

Provinces and territories have primary jurisdiction over regulated occupations and skilled trades, including regulated health care professions, and delegate authority for occupations that are considered regulated in that specific jurisdiction to licensing bodies and associations. Several provinces and territories have taken steps to enhance supports and ease barriers for internationally educated professionals, including internationally educated health professionals. The Minister and the Department have engaged provincial and territorial partners and will continue discussions on improving foreign credential recognition.

4.3.3 Enhancements to the Agri-Food Pilot

The Department is assessing the Agri-Food Pilot and exploring next steps as the program is set to expire in May 2023. Work is underway to explore possible adjustments to the program to continue to facilitate transitions to permanent residence of experienced workers in the agri-food sector. One such option could be the extension of the pilot to continue to accept applications beyond its scheduled expiry, for up to two additional years. This would allow the Department the opportunity to collect data over a longer time period and be better positioned to evaluate the effectiveness of this industry-specific pathway. In addition, the Department is exploring options to extend the pilot to those who don't have a letter of job offer but meet all the other criteria.

4.3.4 Facilitating Physician Transitions

Many health occupations are considered to be “high-skilled” for the purposes of permanent economic immigration to Canada, making them eligible for the Federal High-Skilled Programs, as well as the Provincial Nominee Program, managed through the Express Entry system.

To support the attraction and retention of physicians in various regions across the country, the Department is looking into facilitating faster processing times by addressing barriers faced by provinces/territories and physicians in leveraging the Express Entry application intake management system for their application for permanent residence.

Such a measure would seek to recognize the unique characteristics of Canada’s public health system and the payment under a fee-for-service model, and help address current barriers where a labour market need has been confirmed by a provincial/territorial public health authority.

While IRCC’s Federal High-Skilled Programs are positioned to support longer-term labour needs in the health sector, many individuals may still face barriers working in Canada due to challenges with foreign qualification recognition. Cooperation among governments and regulatory bodies is important in addressing barriers to foreign qualification recognition. See also section 4.3.2 Foreign Qualification Recognition Process Improvements .

The Department will continue to engage provinces and territories to identify ways to streamline the process, provide information, and to encourage foreign nationals to initiate the licensing process prior to their arrival.

4.3.5 Future of Caregiver Programming

Work is ongoing to process applications in the caregiver inventory more expeditiously, and to develop the path forward in preparation for the expiry of the Home Child Care Provider and Home Support Worker pilot programs in June 2024. In particular, short-term measures are being developed to manage the inventory of caregiver applications, prioritize the issuance of work permits, and to facilitate transitions to permanent residence for caregivers once they have accumulated Canadian work experience.

Future caregiver policies and programming will be developed with the objectives of minimizing vulnerability and facilitating pathways to permanent residence for caregivers, and supporting labour market needs in health care and affordable childcare – two sectors that have been significantly impacted by the COVID-19 pandemic.

4.3.6 Supporting Transitions of International Students

To qualify for Canadian educational credential points in Express Entry, students must normally complete a portion of their studies in Canada, in-person and full-time. On July 26, 2022, IRCC introduced exemptions to these requirements, so that Express Entry candidates who studied online at a Canadian educational institution during the pandemic are able to receive Canadian educational credential points. These changes apply to Express Entry candidates who completed a Canadian educational credential between March 2020 and August 2022.

Candidates enrolled at a Canadian educational institution during this period who completed up to 100% of their studies online will be able to receive the Canadian education credential points, which make them more likely to receive an invitation to apply for permanent residence. These

measures align with the temporary policy changes made to the Post-Graduation Work Permit Program and will ensure all candidates who received a post-graduation work permit also receive Canadian educational credential points in Express Entry.

IRCC is also examining how international students obtain meaningful work experiences during their studies, and whether it can leverage any mechanisms to help these students participate in the labour market. Currently, the Department is assessing the trade-offs between reducing administrative requirements on co-op and work-integrated learning with any potential integrity risks that could arise as a result. As with any regulatory changes, IRCC must balance facilitative measures with program integrity checks to ensure that international students benefit from a positive and quality academic experience while in Canada.

Finally, a key commitment in the Minister's Mandate Letter is the creation of a clearer pathway to permanent residence for international students. IRCC recently tested new approaches by implementing measures that gave certain international graduates more time to stay in Canada and continue gaining work experience that can put them on a path to permanent residency. IRCC will assess the impact of these measures and incorporate the lessons and insights into a policy review of the International Student Program. The Department is exploring options for additional pathways to permanent residence for international student graduates, particularly if their education, training or work experience is relevant in helping address Canada's emerging economic priorities. The Government intends to work with provinces, territories and stakeholders on how to improve the program based on selection, recruitment, and retention.

[4.4 Pillar 4: Support Communities in Attracting and Retaining Newcomers, including through Francophone Immigration](#)

In addition to the existing suite of regional economic immigration programs, the Department is currently working on the development of a Municipal Nominee Program in consultation with stakeholders and provinces and territories. The requirement to table an annual Immigration Levels Plan for permanent residents also provides the opportunity to consider support for further admissions under the regional economic programs like the Atlantic Immigration Program and the Provincial Nominee Program.

Furthermore, the Government continues to work with provinces and territories, and employers on innovative pathways to permanent residency, including through the Provincial Nominee Program, which allows provinces and territories the flexibility to adapt and evolve their immigration streams to target priority sectors based on their respective labour market needs. Examples of this are seen in streams such as Saskatchewan's Hard-to-Fill Skills Pilot stream, which supports workers with job offers in eligible high-demand occupations to come to work in the province, as well as in the Prince Edward Island Occupations in Demand stream, which

allows employers with needs in specific high-demand occupations to offer jobs to candidates with at least one year of directly related work experience.

The Government has committed to collaborating with provincial and territorial governments to facilitate greater flexibility within the Provincial Nominee Program and improve alignment with federal economic immigration programs. The Department has also undertaken to work with provinces and territories to minimize duplication in application assessment and processing, and introduce greater efficiencies in the Provincial Nominee Program.

The Government has also recently announced²³ the expansion of the Rural and Northern Immigration Pilot (RNIP) to increase the benefits of immigration in the 11 participating communities. Improvements will include extending the period of participation to communities until 2024, when the pilot ends. It includes the expansion of boundaries for certain communities to allow these communities to maximize the benefits of the pilot with the inclusion of more employers with diverse hiring needs and it will also support inclusion of additional Francophone communities.

As temporary residents are often over represented in Canada's major population centres, regions that do not have a sufficient supply of temporary workers to fill their labour market needs can leverage regional programs to help attract and retain skilled newcomers who have the ability to become economically established and intend to reside in those jurisdictions.

These programs can also support temporary foreign workers who are currently employed in a region. Given that they are already living and working in the region, the Department has a high confidence in their ability to economically establish and their intent to reside.

4.4.1 [Francophone Immigration](#)

IRCC is exploring ways to leverage existing temporary residence streams to promote Francophone immigration, in particular to support Official Language Minority Communities outside of Quebec. Work is underway to consider updating policy guidance to include foreign nationals applying to work within National Occupational Classification skill levels C and D (high school education and on-the-job training, respectively). This measure would help address labour shortages, promote the vitality of official language minority communities outside of Quebec and contribute to one of three objectives under the Government of Canada's Francophone Immigration Strategy, which is to meet the target of 4.4% of French-speaking immigrants outside Quebec by 2023. This measure would be accompanied by a robust

²³ Government of Canada. (2022). News Release, August 26, 2022 [Expanding the benefits of immigration in rural and northern communities](#).

communications strategy to increase understanding and awareness of the stream by Canadian employers to further support the entry of French-speaking workers into Canada.

The Department will also complete an analysis of IRCC's existing suite of immigration pathways, including those that help facilitate transitions for French-speaking temporary residents, as part of the work to support Francophone immigration with the intention of developing a roadmap with concrete options to address any barriers to immigration for Francophone applicants from both inside and outside of Canada.

IRCC will continue to work towards meeting the current 4.4% target by 2023, implement Francophone immigration measures from Bill C-13 (pending Royal Assent), and collaborate with other federal departments, provinces and territories, and stakeholders to support Francophone immigration, including the Department's Francophone Immigration Strategy.

The Government recognizes that immigration is key to supporting the vitality of Francophone minority communities across the country. Francophone immigration plays an important role in upholding the bilingual nature of Canada and is a departmental priority.

4.5 Pillar 5: Build Operational Capacity

The Government of Canada continues to strive toward a modernized and digitalized immigration system to further expedite processing and to better serve newcomers to Canada. As part of the effort to ensure continued responsiveness and relevance of the immigration system, both in the short and long term, and help Canada remain a destination of choice, the Government of Canada has committed \$827.3M to optimize business processes, renew technologies, and simplify policies and programs. Through this investment, IRCC aims to deliver a new core IT platform, as well as other technological tools and capabilities, to transform the Department into a digital organization able to better manage client identity, deliver new client services, enhance program responsiveness, improve collaboration with service delivery partners and stakeholders, and facilitate application processing. Additional funding of \$85M was announced to help return to processing service standards in various programs by year-end. Moreover, IRCC is increasing processing capacity and reducing backlogs by hiring up to 1,250 new employees by the end of Fall 2022. These investments will also support temporary residents who have or are planning to apply for permanent residency. In addition, to support efforts to reduce processing backlogs, the Minister will exempt permanent and temporary residence applicants who are already in Canada and meet certain criteria from the immigration medical examination requirement. This will help alleviate costs and reduce application steps for low-risk applicants.

To further support permanent residence applicants, the Department expanded the digital application portal and now includes the majority of permanent residence applicants with the

transition to 100% digital to commence on September 23, 2022. In addition, a new Permanent Residence Application Tracker was introduced in February 2022 for spouses and dependants, to allow clients to easily access their application information and status online. An additional seven more permanent residence and temporary residence programs will be included in the Tracker by Spring 2023. The Department is implementing intake management strategies, for instance under Federal High-Skilled Programs managed under the Express Entry system, to ensure that new intake and inventories are fully aligned with existing Levels spaces in order to eliminate backlogs and support faster processing times. Furthermore, as mentioned in Pillar 4, the Government is working with provinces and territories to reduce duplication and improve efficiencies within the Provincial Nominee Program.

On the temporary side, Budget 2022 committed \$385.7M over five years and \$86.5M ongoing for IRCC and federal partners to ensure the timely and efficient entry of temporary foreign workers to meet employer needs and fill critical vacancies in the labour market.

IRCC is also seeking ways to limit disruptions in individuals' ability to work in Canada, permitting them to continue gaining Canadian work experience to qualify for permanent residence. In particular, the Department is exploring ways to streamline the work permit renewal process for existing low-risk work permit holders extending under the same conditions using technology-based solutions and risk-based policy decisions in order to identify cohorts for whom minimal processing effort is required. These solutions will allow foreign nationals in Canada to continue to earn a living while contributing to Canada's economic recovery post-pandemic.

In 2021, Canada welcomed the highest number of permanent residents in a single year, some 406,000, many of whom were aimed at filling critical labour gaps in essential services sectors. So far this year, as of July 2022, close to 275,000 permanent residents have been welcomed from all over the world through our programs, most of whom will contribute to the labour market.

5. [Conclusion](#)

Overall, the Government has a number of measures, in place or upcoming, and continues work to review evidence and explore improvements to support the transition of temporary foreign workers and recent international graduates to permanent residence in the context of the Minister of Immigration, Refugees and Citizenship Canada's mandate commitment to expand pathways to permanent residence for international students and temporary foreign workers through the Express Entry system, and to help address labour market tightness across various sectors and skill levels. Notably, this includes the introduction of category-based selection, the implementation of the National Occupational Classification (NOC) 2021 in November 2022, the development of streamlined work and permanent residence pathways for international student graduates in highly skilled, in-demand sectors, and the extension of existing pilot

programs, including the Agri-Food Pilot. Each of these actions will make significant strides towards the delivery of the mandate commitment.

The Department aims to have an economic immigration system that is innovative, well-managed, responsible, and responsive to the needs of the Canadian labour market, and that is supported with evidence. Through testing new approaches and undertaking routine evaluations, research projects and regular program analysis, the Department will continue to examine ways to improve or expand pathways to permanent residence.

[Annex 1](#)

Admissions of Select Economic Permanent Residents with Prior Work Permit Holder Status, by Immigration Category, and Skill Level 2019 and 2021 (principal applicants and family)

Immigration Category	Skill Level of Intended Occupation	2019	2021
	0 - Managerial	110	95
	A - Professionals	140	250
	B - Skilled and Technical	630	955
	C - Intermediate and Clerical	610	1,475
	Students	--	15
	New Workers	390	660
	Other Non-Workers	--	35
	Skill level not stated	10	--
Atlantic Immigration Pilot Total		1,900	3,485
	0 - Managerial	1,705	7,550
	A - Professionals	6,915	20,070
	B - Skilled and Technical	7,680	49,915
	C - Intermediate and Clerical	10	35
	D - Elemental and Labourers	--	--
	Students	15	70
	New Workers	4,685	19,895
	Other Non-Workers	20	30
	Skill level not stated	--	--
Canadian Experience Class Total		21,035	97,570
	A - Professionals	--	0
	B - Skilled and Technical	15	0
	C - Intermediate and Clerical	1,175	100
	Students	5	--
	New Workers	155	15
Caregiver Programming Total		1,355	115
	B - Skilled and Technical	430	110
	New Workers	195	95
	Other Non-Workers	0	--
Federal Skilled Trades Program Total		625	205
	0 - Managerial	340	100
	A - Professionals	1,525	425
	B - Skilled and Technical	430	105
	C - Intermediate and Clerical	0	0

	D - Elemental and Labourers	0	0
	Students	--	0
	New Workers	860	250
	Other Non-Workers	10	--
	Retired	0	0
Federal Skilled Worker Program Total		3,170	885
	0 - Managerial	1,805	1,680
	A - Professionals	2,360	2,580
	B - Skilled and Technical	10,340	9,530
	C - Intermediate and Clerical	3,000	3,170
	D - Elemental and Labourers	900	1,035
	Students	190	165
	New Workers	8,415	8,335
	Other Non-Workers	650	420
	Retired	--	--
	Skill level not stated	100	60
Provincial Nominee Program Total		27,760	26,965
	0 - Managerial	0	35
	A - Professionals	0	15
	B - Skilled and Technical	0	115
	C - Intermediate and Clerical	0	50
	D - Elemental and Labourers	0	--
	New Workers	0	70
	Other Non-Workers	0	--
	Skill level not stated	0	--
Rural and Northern Immigration Pilot Total		0	295
	0 - Managerial	0	965
	A - Professionals	0	1,630
	B - Skilled and Technical	0	9,335
	C - Intermediate and Clerical	0	5,555
	D - Elemental and Labourers	0	1,640
	Students	0	15
	New Workers	0	2,355
	Other Non-Workers	0	--
	Skill level not stated	0	80
Temporary Resident to Permanent Resident Pathway Total		0	21,585
	0 - Managerial	10	20
	A - Professionals	--	10
	B - Skilled and Technical	--	50
	C - Intermediate and Clerical	--	15
	D - Elemental and Labourers	0	30
	Students	20	10

	New Workers	135	115
	Other Non-Workers	5	10
	Skill level not stated	0	0
Other* Total		175	260
Total		56,020	151,365

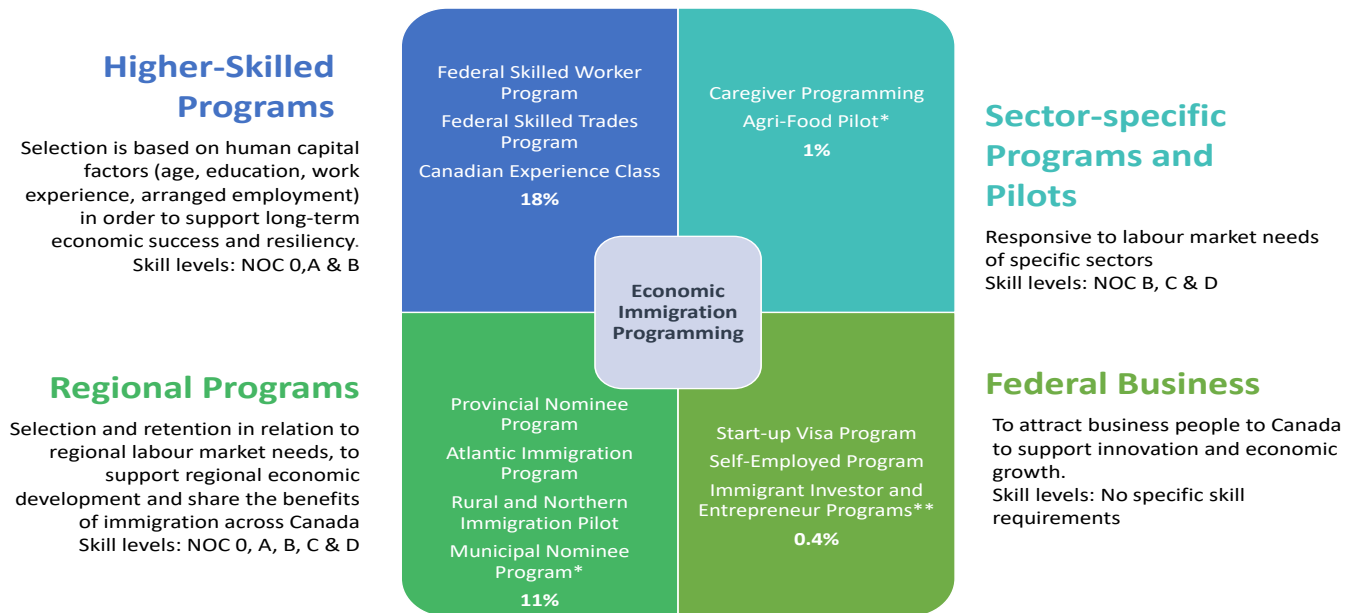
* Other includes: Agri-Food Pilot, Entrepreneur, Investor, Self-Employed and Start-up Business Immigration Categories

Notes:

- Data are preliminary estimates and are subject to change.
- All values between 0 and 5 are shown as "--." This is done to prevent individuals from being identified when IRCC data are compiled and compared to other publicly available statistics. All other values are rounded to the closest multiple of 5 for the same reason; as a result of rounding, data may not sum to the totals indicated.

Annex 2

This figure provides an overview of the distribution of economic programming along the lines of the objectives they fulfill i.e., high-skilled, regional, sectoral or business, and how this corresponds to different skill levels received under the programs by NOC. Additionally, it indicates the proportion (in %) of principal applicants selected for each of the economic groups as compared to overall immigration admissions, as an indicator of the capacity for the various programs to address program objectives (based on 2019 landings).



*Agri-Food Pilot and Municipal Nominee Program are included in the graph as current/future programming, but are not reflected in the data element, which pre-dates them. Temporary public policies introduced after 2019 are not included.

** Immigrant Investor and Entrepreneur Programs are reflected in the data on this graph, but are closed programs.