



Recent Reforms to the International Student Program

Submission to the Standing Committee on Citizenship and Immigration

December 2024

Recommendations

1. All Bachelor's degree programs should be treated equally with regard to post-graduate work permit (PGWP) eligibility, reflecting undifferentiated labour market outcomes
2. Provincial labour market data should inform PGWP eligibility, recognizing that institutions respond to local and regional employer requirements for talent
3. Desist in making additional changes to the international student program, enabling the sector to stabilize and regroup without threat of continued uncertainty

Background

Recent changes to international student policy represent one of the most consequential federal actions affecting the post-secondary education sector in decades, with dire implications. Institutions are already reporting major program cuts and staff layoffs, many of which will impact the educational choices available to domestic students. The damage to Canada's international reputation has been profound, tarnishing its image both as a destination for international students and as a welcoming place for immigrants.

While efforts to mitigate growth of the international student population were undoubtedly necessary, the ways changes were implemented have been incredibly damaging. Canada will not only achieve the stated objective – a 35 per cent reduction in the number of international students – but is seeing its international market collapse. It will be years before the sector is able to stabilize and again attract a stream of international students who are motivated to make Canada their home. Frankly, the sector is ready to get to work. This requires federal officials to desist in making new announcements and program changes, which continue to create uncertainty and are affecting the health and welfare of current international students.

Beyond these internal challenges, we are concerned about the downstream effects of new policies on Canada as a whole. Program cuts jeopardize the sector's capacity to train professionals in fields such as skilled trades, healthcare and advanced technical occupations. Oftentimes, these are programs heavily subscribed by domestic students yet expensive to deliver and rarely independently financially viable. Federal objectives to create \$10/day daycare spots, accelerate the building of new homes and build a technologically enabled workforce substantively rely on the ability of its post-secondary sector to deliver a ready supply of talent. Instead, the sector is facing crippling financial challenges that distract from these goals.

It is too easy to say post-secondary education is an area of jurisdictional responsibility, that the financial viability of our institutions is a matter that the provinces must address. This ignores the role Immigration, Refugees and Citizenship Canada (IRCC) played in issuing ever-growing numbers of student visas and work permits – something that has always been within federal control. It further

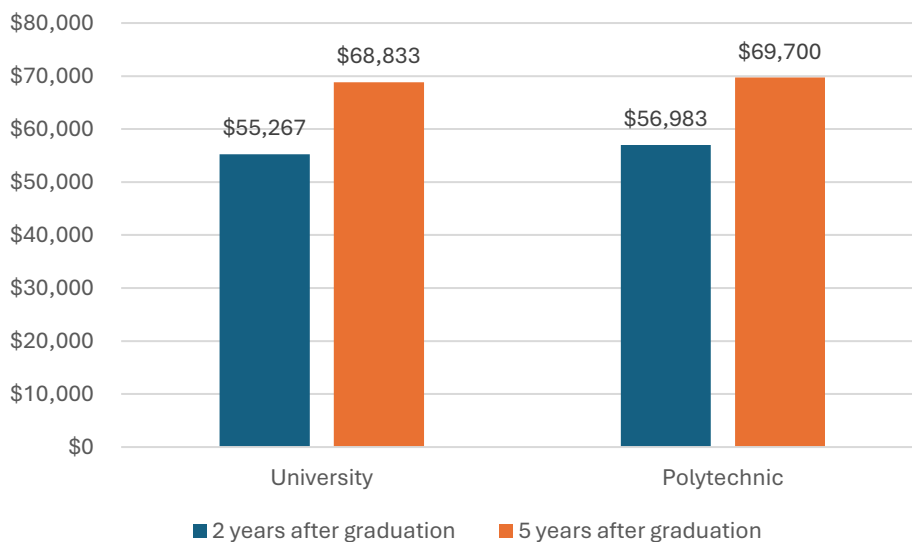
dismisses any federal responsibility for social transfer payments and the diminishing percentage that was being spent on future-focused investments in education. It is unconscionable to suggest no federal awareness of or responsibility for the ways in which post-secondary institutions are able to deliver education and training to Canadians.

The damage has been done. We now urge the House of Commons Standing Committee on Citizenship and Immigration to focus on strategies designed to mitigate the short- and long-term impacts of a weakened post-secondary sector.

Treat Bachelor's programs equally

The rationale for exempting university degree programs from the requirement to show labour market alignment for the award of PGWPs was that university graduates experience better labour market outcomes. This is categorically untrue. According to Statistics Canada data, degree programs offered by Canada's polytechnics offer somewhat better labour market outcomes two and five years after graduation. The differentiated policy approach reflects an unsubstantiated bias that must be corrected.

Figure 1 - Median earnings for Bachelor's degree holders (2 and 5 years after graduation)



Further, because polytechnic degrees are labour-market linked, graduates in some fields (health, information sciences and agriculture) make between 10 and 25 per cent more than their university-educated peers.¹

¹ Statistics Canada. Custom data tabulation modelled after CODR table 37-10-0115-01, characteristics and median employment income of postsecondary graduates two years after graduation, by institution type, educational qualification, and field of study (primary groupings).

Polytechnics are held to extremely high standards when it comes to the labour market relevance of their degree programs. Programs are rigorously designed in consultation with sector partners and receive regular input from program advisory committees. This ensures programs undergo continuous adaptation to meet evolving industry needs and standards. While new programs go through the same approval processes as those at universities, there is an expectation that programs will be phased out if and when they are no longer relevant to labour market requirements.

In 2024, The Conference Board of Canada examined the responsiveness of polytechnic programs (both degree and non-degree) to labour market demand. They found polytechnics offer programs that respond to 86 per cent of job vacancies in high-demand skilled occupations in sectors such as skilled trades, information and technology, healthcare, early learning, and tourism and hospitality.

Simply put, there is no evidence of diminishing returns for a polytechnic education. To suggest one type of post-secondary education is more highly valued than another sends a damaging message to domestic students. At a time when Canada urgently requires a highly trained workforce, this is counterproductive.

Rely on provincial labour market data

Using the Canadian Occupational Projection System to determine structural labour market need is illogical. Other IRCC programs, such as the Rural and Northern Immigration Pilot, deliberately avoid using such data as they fail to capture local labour market realities. To better ensure PGWPs align with the needs of Canada's diverse economy, we recommend relying instead on provincial data, ideally incorporating regional and local labour market information where possible. This is the information institutions use when developing responsive, labour market-driven programming.

Because polytechnic programming is designed with this purpose in mind, we support connections between labour market need and study visas. We remain conscious, however, that national data fail to capture the realities of Canada's diverse labour market needs.

Our recent research collaboration with The Conference Board of Canada further reveals that critical labour shortages vary significantly across provinces. For example, while Alberta job vacancies illustrated higher demand in healthcare occupations, British Columbia vacancies were stronger in early learning, skilled trades and transport occupations.

Using national labour market data to determine PGWP eligibility poses a significant risk. By failing to account for regional variations in demand and relying instead on broad national trends, IRCC is, at best, sending misleading signals. At worst, this approach will fail to retain international graduates

in the province where they have obtained housing and developed social and professional networks. This promises to frustrate Canada's efforts to attract and retain top talent.

While other pathways to immigration exist, the ability to work in Canada after graduation is highly valued. It comes with a certainty not of permanent residency or immigration but a promise that graduates will have time to illustrate their value within the Canadian economy. Unfortunately, given that pathways to immigration are anything but clear-cut and are subject to regular revision, PGWPs remain one of the few opportunities to try Canada on for size.

It is imperative that the federal government find ways to work with provincial and territorial governments to resolve this issue. Canadian institutions and their international students deserve nothing less. We propose IRCC access established relationships at the Forum of Labour Market Ministers to achieve this goal rather than engaging in unproductive finger-pointing over data.

Consequences of inaction

Canada needs its post-secondary institutions operating at full capacity to address economic, workforce and productivity challenges. The Canadian economy is already straining under the weight of the high cost of living, elevated interest rates and labour disruptions. The poorly managed changes to Canada's immigration system stand to have the further impact of jeopardizing more than \$30 billion annually that international students contributed to Canada's economy in 2022.²

While the damage to post-secondary institutions and their international reputations has largely been done, the implications for Canada and its citizens are just beginning. Programs that cater to sectors experiencing critical labour shortages are now at risk. Those programs with small class sizes, significant space requirements and/or expensive technology and equipment needs are being reassessed for financial viability. Domestic students will have fewer choices and less support.

The ability to attract international talent is now in significant jeopardy. Programmatic and policy instability will make it harder to attract foreign-trained nurses, personal support workers and the broad range of other occupations for which Canada relies on the newcomer talent pool. Trust in Canadian institutions – both post-secondary and government – has been diminished well beyond the “bad actors” international student policy changes were meant to curtail.

In the meantime, confusion and instability remain. At information sessions for international students, they are repeatedly told to monitor IRCC's website since today's answers may well be inaccurate tomorrow. This is inadequate and unprofessional.

² Roslyn Kunin & Associates, “Economic Impact of International Education in Canada – An Update of 2022 Impact.” (Nov 2023) Global Affairs Canada

While it is too late to repair the damage caused by harsh commentary about the quality of Canadian post-secondary education or address the underlying issues of post-secondary funding, policymakers should take note. Hastily implemented changes without consultation or regard for Canada's education sector will undoubtedly have significant implications both within institutions and well beyond them. We urge the Standing Committee to thoroughly review these broader implications, assessing where mitigation measures are required and feasible.

About

Polytechnics Canada is the voice of leading research-intensive, publicly supported polytechnics and institutes of technology. We advocate for federal action in areas where polytechnics provide solutions for a more innovative, productive and globally competitive country. Polytechnics Canada members play a critical role in addressing some of the country's greatest challenges. Through their facilities and networks, our members provide meaningful solutions to industry problems and accelerate knowledge transfer.



Cover photo courtesy of the Applied Computer Education (ACE) department at Red River College Polytechnic.