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LEADING PRACTICE GUIDE

Tapping into the Immigrant Talent Pool

# Introduction

Talent attraction and retention have never been more critical. We live in both an innovation age and a highly competitive market for talent. Businesses of all sizes are under more pressure than ever to set themselves apart as a great place for talented people to work.

Managing and developing talent remains critical to a company's growth prospects. Our region's businesses must rise to the occasion, leveraging best practices and established expertise to build their talent pipeline over time. That's why the Board is pleased to introduce our six Leading Practice Guides, born from our workforce development strategy, "Unlocking Talent".

Unlocking Talent highlighted how we can turn system gaps and barriers into opportunities in three areas: (i) collaborating to narrow the skills gap; (ii) promoting collective workforce development in the skilled trades; and (iii) growing the region's youth talent pipeline and immigrant talent pipeline.

To build on these areas, the Board convened senior business leaders for a series of roundtables, to share lessons learned and best practices on pressing workforce development challenges and opportunities. As a result, we have focused on 6 urgent priorities for the Leading Practice Guides:



Supporting Employee Soft Skill Development



Finding the Right Entry-Level Workers



Tapping into the Immigrant Talent Pool



## Reducing Integration Barrier for Immigrant Workers



Increasing Work-Integrated Learning ("WIL") Opportunities



Expanding Mental Health Supports for Younger Workers

We hope they will be used as blueprints for success, helping businesses of every size contribute to a workforce that thrives in tomorrow's economy.

#### Blaine Woodcock

**Giles Gherson** President & CEO, Toronto Region Board of Trade

National Strategy, Analytics & M&A Portfolio Leader, Deloitte Vice Chair of the Talent Committee, Toronto Region Board of Trade



## **Overview**

Immigrants are a crucial and vibrant component of Canada's economy and its growth potential. As the Canadian population continues to age and fertility rates remain below the level needed for population replacement, immigration has become the primary catalyst for population growth today. According to the latest population projections from Statistics Canada, if these trends persist, immigrants could account for anywhere between 29.1% and 34.0% of Canada's total population by the year 2041.<sup>1</sup> These newcomers bring a wealth of skills, talents, and diversity to the workforce, driving innovation and productivity across various industries. In fact, immigrants are responsible for a significant portion of Canada's labour force growth, which is vital for addressing demographic challenges such as an aging population and labour shortages. Additionally, studies have shown that immigrants tend to be highly entrepreneurial, with a substantial number starting and owning businesses, thereby creating jobs and contributing to economic resilience. Immigrants not only strengthen Canada's economy but also enrich its social fabric, making them an essential and valued part of the nation's success story.

Immigrants often possess specialized knowledge and expertise that align with the country's evolving economic needs, particularly in sectors like technology, healthcare, and engineering. The recent H-1B visa holder work permit initiative is but one example of leveraging immigration policy to meet the needs of Canadian companies in an increasingly competitive global economy.

Still, many employers – especially small and medium-sized businesses and new entrepreneurs – are unclear on how to recruit international teams, access immigrant talent pools, and/or tap into international students. While many supports are available to new immigrants, this Guide will serve as a helpful and much needed foundational resource for employers. (...) Immigrants could account for anywhere between 29.1% and 34.0% of Canada's total population by the year 2041.

### This Leading Practice Guide will:

- Provide a foundational overview of Canada's immigration system
- Outline the various channels available to access international talent
- Identify resources available to employers to hire talent from abroad.

# **Leading Practices**

# An Employer Roadmap to Hiring International Talent

In November 2022, Immigration, Refugees and Citizenship Canada released its 2023-25 Immigration Levels Plan which sets targets for the number of immigrants coming to Canada over these years across different immigration streams. Canada is hoping to welcome 465,000 new permanent residents in 2023, 485,000 in 2024, and 500,000 by 2025. While allocations to each province are not listed in this plan, a 2022 report indicated that in 2021, Ontario received 48.9% of the national total of new permanent residents. According to the 2021 Census, there were 1,286,140 immigrants in Toronto, or 46.6% of its total population. During this year, Toronto was home to 15.7% of non-permanent residents and 7.6% of the Canadian population.<sup>2</sup> To leverage international talent for their businesses, employers need to familiarize themselves with the immigration process and various opportunities available to hire talent from abroad.

International talent accessible to Canadian businesses fall within several categories. First and foremost, it is important for employers to understand the different types of workers (by legal status), before determining what actions they can take to hire these individuals. The following sections provide an overview of actions businesses can take based on these categories as well as resources and supports available.

An individual's legal status will determine who they can work for and for how long, among other considerations. Actions required from an employer to hire international talent will vary based on their legal status.

Note: It is important to note that this high-level overview is not meant to constitute legal advice, and any individual engaging with these programs should consult with an immigration professional. Factors such as nationality, processing times, and inadmissibility can impact a company's ability to onboard foreign talent, and that information is not widely available to employers.



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## **Major Categories of Legal Status for International Talent**

Canada's adaptable immigration system and forward-thinking initiatives offer valuable tools for employers seeking to meet their talent needs. The below are three primary legal status categories for international talent that employers should familiarize themselves with, each necessitating distinct actions on their part. Note, these are specific to international talent not currently in school. For special considerations for students please see the 'Special Considerations' section.

### PERMANENT RESIDENT

- A permanent resident is someone who has been given permanent resident status by immigrating to Canada, but is not yet a Canadian citizen.
- Permanent residents have the right to live, work or study anywhere in Canada.
- Permanent resident cards are typically valid for five years, during which many individuals will apply for and recieve their Canadian citizenship.

### OPEN WORK PERMIT HOLDER

- Individuals who hold an open work permit will be able to work for any employer (with some exceptions) and live anywhere in Canada
- Open worker permits are not job-specific, so employers are not subject to submitting additional paper work (such as labour market impact assessments or an offer of employment and compliance fee).

### **EMPLOYER-SPECIFIC WORK PERMIT HOLDER**

- This particular work permit grants foreign nationals the opportunity to work within the parameters and constraints specified on the permit itself. It confines foreign nationals to a single employer and authorizes them to work exclusively for that employer, occupying a single position within Canada.
- An employer-specific work permit allows you to work according to the conditions on your work permit, which include: name of the employer you can work for, how long you can work for this employer, location where you can work (if applicable)



## Individuals with Permanent Resident Status or A Valid Open Work Permit

To employ a foreign worker currently living in Canada, the candidate must be a permanent resident or hold a valid work permit. "Permanent Residence" is a legal status that allows an immigrant to live and work anywhere in Canada. A Work Permit is written authorization to work in Canada as a non-citizen and nonpermanent resident. Work permits may be employer-specific, and only valid for a specific job, employer and time frame, or may be "open" allowing the individual to work for any employer.

If a foreign candidate is a permanent resident or holds an open work permit, they can work for any employer for any period during which their work permit is valid. To employ these immigrants, there is no specific employer requirement (beyond normal workplace employment laws.)

#### **LEGAL STATUS**

Open work permit holder OR permanent residents

#### ACTION REQUIRED FROM EMPLOYER

No additional legal or compliance action is required when hiring

#### CONSIDERATION

Individuals with open work permits are only permitted to work within the expiration date of their permit

## Without Permanent Resident Status or a Valid Open Work Permit

If an employer is seeking to hire a foreign worker who does not yet have a work permit and is not a permanent resident, the process is significantly more complicated. Employers have two specific options available<sup>3</sup>:

**Sponsor a work permit:** Employers can "sponsor" a work permit through the Temporary Foreign Worker Program or International Mobility Program (temporary residence). This would require engaging with the immigration system by (i) providing the recruited individual worker a job offer, (ii) obtaining a work permit by either applying for a Labour Market Impact Assessment (LMIA) first, or if exempt from the LMIA, applying for the work permit, and (iii) completing additional paperwork required.

**Support permanent residence applications:** Employers can support the immigration of specific individuals through permanent residence programs – typically through the Express Entry or the Ontario Immigrant Nominee Program (OINP) (Ontario's Provincial Nominee Program). These are two specific programs available within the 'economic' stream of immigration (see Figure 1 in Appendix A).

Please see *Appendix A* for more details on either of these options.





## Special Considerations: Leveraging International Students and Refugees

## **International Students**

There is a growing number of foreign students who are choosing to study at Canadian universities and colleges. These students contribute positively not only to our economy, but also to cultural diversity. The number of study permit holders increased significantly from 122,700 in 2000 to 642,500 in 2019.<sup>4</sup> Increasingly, international students are viewed as a key resource for meeting workforce needs and are considered by the federal government to be "excellent candidates for permanent residency".<sup>5</sup>

60% of first-time study permit holders who worked during their period of study or after graduation becoming permanent residents.

International students' study permits allow them to work up to twenty hours per week off campus while class is in session, and they can also apply for a Post-Graduation Work Permit allowing them access to fulltime employment for a set number of years. Some students are allowed to work more than 20 hours per week off campus under certain requirements (until December 2023).<sup>6</sup> As noted above, they also have excellent success in receiving permanent residency. 60% of first-time study permit holders, who worked during their period of study or after graduation, became permanent residents.<sup>7</sup> It is also important for employers to note that there is an expiration date on the Post-Graduation Work Permit.

## Refugees

Despite arriving to Canada through a Refugee or Humanitarian Stream, many refugees have skills and experience in high demand jobs. As with the larger talent pool of immigrants, they often have high rates of educational attainment, but accept lower-paying jobs to gain Canadian work experience. The acute integration challenges faced by immigrants and refugees often leads to more entrepreneurial pursuits.

In 2021, a total of 60,228 refugees and protected people came to Canada, 59% coming to Ontario.<sup>8</sup> As permanent residents, they are a valuable segment of the talent pool for the labour market. Here is a compilation of resources available for employers:

- The Government of Canada's Economic Mobility Pathways Pilot supports refugee labour mobility.
- The Talent Beyond Boundaries program, in collaboration with Jumpstart Refugee Talent, seeks to match Canadian employers with displaced job seekers.
- The Refugee Hiring Event Guide by World Education Services helps to support a refugee hiring event and describes the roles and responsibilities of various stakeholders to host a successful refugee hiring event.

# **Case Study**

## **Accessing the Immigrant Labour Force**

As an owner of a consumer-packaged goods company with 7 employees, and gross annual revenue of \$1.5 million, I need to hire a marketing & sales executive to support continued growth. I've posted the position on LinkedIn, and have received interest from several candidates:



## Foreign Worker in Canada with an Open Work Permit

Melissa came to Canada from Australia with her husband and children. Her husband is currently pursuing a PhD in Economics at the University of Toronto as an international student. In arriving here with her husband, Melissa holds an open work permit.

To hire Melissa, no employer action would be required as she holds an open work permit and can work for any employer; If Melissa's work permit expires, as long as her husband is still in Canada as an international student and she is here as a "family member," she will receive an extension to her work permit. If Melissa's husband is no longer an international student, other work permit options may have to be explored, which could include the LMIA process (see Appendix A).

## **Candidate Living Outside of Canada**

Aleina lives in Bangladesh but has an interest in moving to Canada. She was recommended to you by a colleague that has worked with her before. She does not have a work permit or permanent residency, but you have interviewed her, and her qualifications and experience are perfect for the role.

**To hire Aleina, she would need to have an employer-specific work permit.** To that end, you may have to go through the work permit process as described above. You could also ask her to apply through the OINP Job Offer and submit all paperwork required for employers if there is sufficient time to onboard Aleina.

## **International Student**

Terrance recently graduated from York University and is from China. He holds a post-graduation work permit, which is valid for three to five years, depending on the study length.

**To hire Terrance, no employer action is required as he already holds a valid work permit.** If Terrance's work permit expires, he would need to apply for an employment-specific work permit (as the post-graduation work permit is only granted once) or have already obtained permanent residence.



# Supports for Employers

The international talent you are looking for may not currently be in Canada or hold a valid open work permit. The following recruitment platforms help employers access the immigrant talent pool:

**Magnet:** Magnet is a government-funded social innovation platform with a mission to accelerate inclusive economic growth in Canada, including supporting new Canadians. It offers matching technology to connect job seekers to career opportunities and helps amplify job opportunities to new Canadians.

**Hire Immigrants:** Hire Immigrants is a global hub for employer best practices in immigrant employment, empowering employers to build a diverse and inclusive workforce, with a focus on best practices, insights, learning webinars, and employer-focused reports.

**Talent Beyond Boundaries (TBB):** TBB has a mission to ensure refugees have equitable access to skilled migration, so that they access jobs best suited to their skills. It works in Canada to help employers and refugees through recruitment, visa application, and settlement.

**Job Bank:** This is the national employment service for all employers. Government of Canada has set up a separate page for employers to post jobs to hire temporary foreign workers. All the positions posted on the site require employers who have already obtained or applied for Labour Market Impact Assessment.

#### RESOURCES TO HELP EMPLOYERS HIRE FOREIGN TALENT

## Fragomen and Canadian Immigration Services

Immigration experts will assess an individual's suitability for immigration and be able to advise and help navigate the immigration system.

## Bellissimo Law Group PC and Sobirovs Law Firm

There are several local law firms that focus on immigration supports for employers, including legal support to bring employees to Canada, immigration compliance, consulate support, and other immigration-related activities.

### **World Education Services**

World Education Services evaluates academic credentials from more than 48,000 institutions in 203 countries and territories around the world, to support degree equivalency, career pathways, and supports employers by sharing best practices and insights on hiring internationally trained candidates.

# **Appendix A**

# Work Permit and Permanent Residence Options for Hiring Talent

Immigration to Canada is possible through streams of individual immigration programs. These include permanent residence programs that allow individuals to settle in Canada permanently, as well as work permits (temporary residence programs) to transition desired candidates to Canada. Processing times for permanent residence programs are at least several months in duration, and in many cases an employer's need to have a candidate placed is more urgent.

## Work Permits (Temporary Residence Programs)

Obtaining a work permit is usually the fastest way to place a recruited foreign worker. Qualifications can depend on a variety of factors, including personal background, the type of job, and the availability of Canadian citizens or permanent residents to fill the role. In general, there are two ways to apply for a work permit:

1. **Temporary Foreign Worker Program (LMIA Program):**<sup>9</sup> This is the default work permit category. In most cases, an employer must advertise and recruit across Canada for a specified period (including by posting the job to the Government of Canada's Job Bank) and prove to the government that a qualified Canadian or permanent resident could not be found. If an employer is successful, an LMIA will be issued, and a work permit can be applied for based on the LMIA. There is also a "Global Talent Stream" LMIA program for designated STEM related occupations where advertising is not necessary and applications can be fast tracked. However, there are other requirements that an employer must meet.

2. International Mobility Program:<sup>10</sup> Most other employer-specific work permits fall under this category, and these work permits are exempt from the LMIA process. In most cases, there is a specific policy reason for the LMIA exemption, for example, an "intra-company transfer" from a subsidiary / affiliate office outside of Canada, labour mobility provisions within a free trade agreement, or because an individual brings "specific benefit" to Canada.

As noted above, employers should engage the advice and support of an immigration professional to support these efforts.

### **Permanent Residence**

For permanent residence programs, employers typically support the immigration of specific individuals through the Express Entry or the Ontario Immigrant Nominee Program (OINP) (Ontario's Provincial Nominee Program).

#### Express Entry<sup>11</sup>

Express Entry is a points-based program based on an individual's personal background.

Candidates applying to immigrate to Canada through Express Entry are ranked based on criteria that are "known to contribute to economic success once in Canada / have the best settlement outcomes," including language skills, education, and work experience. Employers can influence the ranking of these candidates; candidates with job offers under very specific circumstances can earn additional points based on the type of job, making it more likely that they will be successful in their application.

There are several steps to the Express Entry process:

- An individual will go online and set up an "Express Entry Profile" based on various personal criteria, such as age, occupation, work experience (both Canadian and foreign), English and/or French language proficiency, Canadian education, etc. They will be assigned a certain number of points and placed in the "profile pool".
- The federal government conducts periodic "rounds of invitations" to a certain number of individuals in the profile pool. A "cut off" points score is established based on the number of

individuals the government wishes to invite to apply for permanent residence.

 Those invited to apply file a formal application for permanent residence and can expect a response within 6 – 8 months from filing. Post-pandemic, many individuals residing in Canada are approved without a formal "landing process."

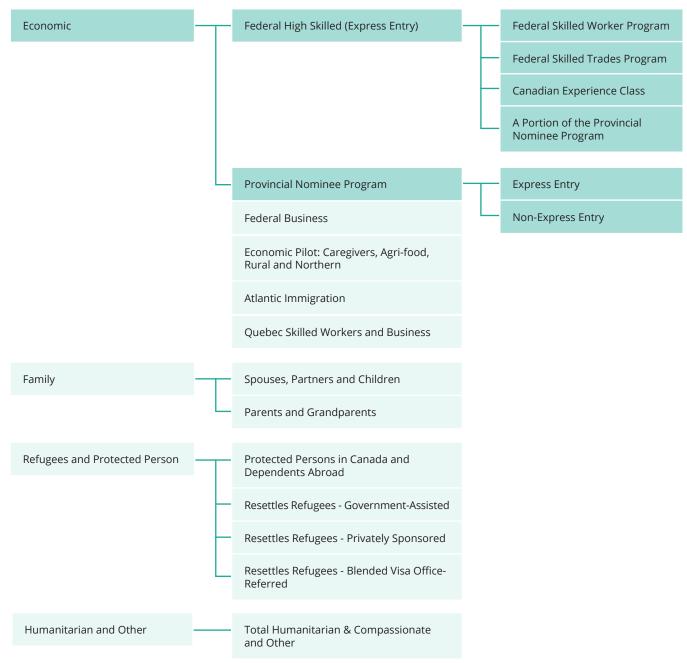
Individuals can apply under Express Entry without support from Canadian employers, although many employers do support individuals by providing a job offer and a work permit associated with the job offer.

#### Ontario Immigrant Nominee Program (OINP)<sup>12</sup>

OINP is Ontario's economic immigration program. Foreign workers, international students, and other workers with in-demand skills, experience and education may apply to this program for permanent residence (and therefore the ability to work). There are nine unique streams within this program, and there are several specific streams that provide employers with the opportunity to recruit and retain foreign workers. Note that employers must meet program requirements and in many cases have made a job offer for a fulltime and permanent position to an eligible foreign worker or international student. There are several requirements to qualify as an employer under OINP, including (but not limited to) how long you've been in business (at least three years), revenue (minimum of \$1 million in gross annual revenue), size (at least five full-time employees who are Canadian citizens or permanent residents), and the job must be fulltime and urgently needed.

## **Figure 1: Canada's Immigration Streams**

#### **IMMIGRANT CATEGORY**



### **Endnotes**

- 1 Immigrants make up the largest share of the population in over 150 years and continue to shape who we are as Canadians. https://www150.statcan. gc.ca/n1/daily-quotidien/221026/dq221026a-eng.htm
- 2 City of Toronto, 2021 Census: Citizenship, Immigration, Ethnic Origin, Visible Minority Groups (Race), Mobility, Migration, Religion. https://www.toronto. ca/wp-content/uploads/2023/03/8ff2-2021-Census-Backgrounder-Immigration-Ethnoracial-Mobility-Migration-Religion-FINAL1.1-corrected.pdf
- 3 How to access global talent: https://www.canada.ca/ en/immigration-refugees-citizenship/campaigns/hireimmigrants.html
- 4 International students as a source of labour supply: Transition to permanent residency: https:// www150.statcan.gc.ca/n1/pub/36-28-0001/2021006/ article/00002-eng.htm
- 5 Ibid.
- 6 International students as a source of labour supply: Transition to permanent residency: https:// www150.statcan.gc.ca/n1/pub/36-28-0001/2021006/ article/00002-eng.htm

- 7 More international students becoming Canadian immigrants: https://www.cicnews.com/2021/07/ more-international-students-becoming-canadianimmigrants-0718547.html#gs.4atff5
- 8 2022 Annual Report to Parliament on Immigration. https://www.canada.ca/en/immigration-refugeescitizenship/corporate/publications-manuals/annualreport-parliament-immigration-2022.html
- 9 Hire a temporary foreign worker with a Labour Market Impact Assessment: https://www.canada.ca/en/ employment-social-development/services/foreignworkers.html
- 10 Hire a worker without an LMIA: About the process: https://www.canada.ca/en/immigration-refugeescitizenship/services/work-canada/hire-temporaryforeign/international-mobility-program.html
- 11 Immigrate through Express Entry: https://www. canada.ca/en/immigration-refugees-citizenship/ services/immigrate-canada/express-entry.html
- 12 Ontario Immigrant Nominee Program (OINP): https:// www.ontario.ca/page/ontario-immigrant-nomineeprogram-oinp

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