



BACKGROUND PAPER

RECOGNITION OF THE FOREIGN QUALIFICATIONS OF IMMIGRANTS

Publication No. 2020-86-E

1 October 2020

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1 October 2020

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This publication was prepared as part of the Library of Parliament's research publications program, which includes a set of publications, introduced in March 2020, addressing the COVID-19 pandemic. Please note that, because of the pandemic, all Library of Parliament publications will be released as time and resources permit.

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Recognition of the Foreign Qualifications of Immigrants
(Background Paper)

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Ce document est également publié en français.

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EXECUTIVE SUMMARY

Qualification recognition is the process of verifying that the knowledge, skills, work experience and education obtained in another country is comparable to the standards established for Canadian professionals and tradespersons. Far from simple, this process is different in each province and territory, and for each trade and profession. It is particularly challenging for applicants in regulated occupations, which account for about 20% of the Canadian labour market. The complexity of the process can contribute to difficulties in integrating immigrants into the labour market and to their over-qualification.

While responsibility for the recognition of foreign qualifications generally rests with the provinces and territories, the federal government has launched several initiatives to make the process easier for immigrants. The issue of foreign qualification recognition has also been the subject of numerous reports to the federal government, and has been specifically named in several Speeches from the Throne and budget plans over the years.

This document outlines initiatives that have been undertaken at the federal level to try to address the challenges related to the recognition of foreign qualifications. These include funding programs such as the Foreign Credential Recognition Program, pre- and post-arrival settlement services and the recent integration of some form of foreign credential recognition into economic immigration program requirements. However, these initiatives are limited and pressure will continue for fairer recognition of foreign qualifications and improved economic opportunities for newcomers.

RECOGNITION OF THE FOREIGN QUALIFICATIONS OF IMMIGRANTS*

1 INTRODUCTION

Canada's immigration policy seeks to accept skilled immigrants to meet the country's labour market needs. Year after year, however, jobs in certain sectors remain vacant while competent immigrants find themselves unemployed or underemployed.

This disconnect between labour demand and supply in certain sectors is due in part to the failure to recognize the foreign qualifications of newcomers to Canada in an efficient and fair manner. Qualification recognition has been defined as

the process of verifying that the knowledge, skills, work experience and education obtained in another country is comparable to the standards established for Canadian professionals and tradespersons.¹

This process is also called foreign credential recognition, even though a credential is technically a degree or certificate, and does not include other types of qualifications, like skills and experience.

A multitude of players are involved in qualification recognition, making the process more complex. Responsibility for foreign qualification recognition usually lies with the provinces and territories, and involves professional organizations and related self-regulating bodies under their jurisdiction. However, the federal government also launched initiatives to facilitate the qualification recognition process. This document deals with those initiatives.

2 BACKGROUND

What obstacles do immigrants face in having their foreign experience and education recognized in Canada? Barriers may come in various forms:

- newcomers often lack knowledge about how to have their skills recognized;
- fundamentally different education and training systems may make comparisons with Canadian credentials difficult;
- non-proficiency in English or French – a barrier to almost any employment – can affect qualification recognition;² or
- financial constraints or entry barriers caused by professional association protectionism³ may also stand in the way of an immigrant's qualifications becoming recognized in Canada.⁴

In a 2019 study by World Education Services, the immigrants surveyed said that non-recognition of foreign education and employers' tendency not to recognize qualifications and experience are among the main barriers to employment.⁵

It is important to note that issues with foreign qualification recognition are just one of a number of factors that may lead to a skilled immigrant being unemployed or overqualified in Canada. Employers may sometimes prefer to hire a Canadian-born candidate over an immigrant for any number of reasons, whether legitimate or not:

- an immigrant's skills may not be relevant in Canada;⁶
- the foreign credentials may be of a lower calibre than equivalent domestic qualifications;⁷
- employers may require candidates to have Canadian work experience;
- an immigrant's lack of official language knowledge may deter an employer, even if it has not stood in the way of credential recognition;
- discrimination may be at play;⁸ and
- Canadian employers may lack information about the foreign education and experience of today's immigrants.⁹

In other cases, societal factors may impede an immigrant's integration into the workforce. Cultural differences may need to be bridged, while a lack of social networks for job hunting may need to be overcome. Rising levels of education among Canadian-born workers, especially in urban areas, where immigrants tend to settle (Toronto, Montreal, Vancouver), may also increase competition and make it harder for immigrants to find work.¹⁰

3 JURISDICTIONAL AND OTHER COMPLEXITIES

One of the main reasons that problems with qualification recognition persist year after year is the large number of stakeholders involved. Generally speaking, according to the division of legislative powers established in the *Constitution Act, 1867*, the provinces are responsible for licensing trades and professions based on their jurisdiction over property and civil rights.¹¹ The territories have been devolved similar jurisdiction.¹²

According to Employment and Social Development Canada (ESDC),

[there are] nearly 500 regulatory bodies in Canada, at least five recognized credential assessment agencies, numerous professional associations, postsecondary and vocational institutions, and employers, throughout 13 jurisdictions,¹³

and all are involved in the credential assessment process to some degree. Yet regulated occupations make up only 20% of Canada's labour market.¹⁴ In the other 80%, the foreign qualifications of immigrant candidates are evaluated by the thousands of employers responsible for hiring skilled and professional workers in unregulated industries, such as tourism, textiles and even software technology.

In addition to the challenges stemming from the large number of stakeholders, the fair and efficient recognition of foreign qualifications is frustrated by the practices of some professional groups that have difficulty accepting immigrants without Canadian education or retraining.

While foreign qualification recognition is a consideration in the labour market, foreign credential recognition is also important to Canada's nearly 300 accredited post-secondary institutions, which must assess foreign education or credentials to place immigrant students in the proper program.¹⁵

4 FEDERAL INITIATIVES

Issues related to qualification recognition in Canada began to be identified in the 1980s.¹⁶ Interest grew through the 1990s, when several reports called on the federal government to work with stakeholders to improve credential recognition.¹⁷ In the early 2000s, private sector reports continued to draw attention to the issue.¹⁸ The government repeatedly recognized the problem and committed to improving it.¹⁹

The issue has been mentioned specifically in several throne speeches over the years,²⁰ and in a number of recent budgets.²¹ Parliament has also examined credential recognition, and several parliamentary committee reports have made recommendations on this subject over the years.²²

The federal government therefore undertook several initiatives concerning foreign qualification recognition.

4.1 PAN-CANADIAN FRAMEWORK FOR THE ASSESSMENT AND RECOGNITION OF FOREIGN QUALIFICATIONS

The Forum of Labour Market Ministers, consisting of federal, provincial and territorial representatives, announced the Pan-Canadian Framework for the Assessment and Recognition of Foreign Qualifications in November 2009.²³ The framework represents a common commitment to the principles of fairness, transparency, timeliness and consistency in foreign qualification recognition, and includes a one-year service standard for informing immigrants whether they meet qualification recognition requirements or whether additional requirements must be met. The framework's implementation strategies include pre-arrival supports for immigrants, project-based funding to improve qualification assessment and recognition, supports for immigrant

labour market integration and a list of short- and medium-term priority occupations. This list has been expanded over the years.²⁴

The Forum of Labour Market Ministers targets occupations and trades where governments can take action in their respective contexts to ensure that all of the framework's principles are applied. Since 2014, a total of 19 occupations and five trades have been targeted by the framework.²⁵

4.2 FOREIGN CREDENTIAL RECOGNITION PROGRAM

In May 2010, the federal government established the Foreign Credential Recognition Program,²⁶ administered by ESDC. Under this program, a number of projects receive funding to improve the foreign credential recognition processes for targeted occupations or sectors, both regulated and non-regulated. Eligible projects may be led by a range of Canadian organizations, including regulatory bodies, educational institutions, businesses, professional groups and sector councils. Federal funding is also available for projects led by provinces or territories. According to ESDC's departmental plan for 2019–2020, forecast spending for the Foreign Credential Recognition Program for 2020–2021 is \$21.42 million.²⁷

4.3 TARGETED EMPLOYMENT STRATEGY FOR NEWCOMERS

Announced in Budget 2017, the Targeted Employment Strategy for Newcomers has three main components to help newcomers enter the Canadian job market:

- pre-arrival supports;
- a loan program to assist newcomers with the cost of getting their foreign credentials recognized; and
- assistance for newcomers to acquire initial Canadian work experience in a field related to their profession.²⁸

The Strategy is funded through a reallocation of existing ESDC resources; \$27.5 million is to be reallocated over five years as of 2017–2018, and \$5.5 million per year thereafter.²⁹

4.4 JOB BANK

The Job Bank website, which is administered by ESDC, offers relevant labour market information regarding a specific occupation or a Canadian city or region. The Job Bank can generate lists of job opportunities based on occupation and job location, detailing for each job posting the job description, wage, skill requirements and language training. The Job Bank also accesses data from a variety of government resources to provide information tailored to users.³⁰

The tool for recognizing foreign credentials in Canada is integrated into the Job Bank. With this tool, foreign workers can determine what their occupation is called in Canada, if it is regulated and, if so, the name and contact information of the regulator. The tool also provides information on the time and procedure for getting specific credentials recognized, as well as the cost involved.³¹

4.5 PRE-ARRIVAL SETTLEMENT SERVICES

Since 2015, Immigration, Refugees and Citizenship Canada (IRCC) has significantly developed the pre-arrival settlement services available overseas. IRCC does not provide these services directly; it funds service providers, including “immigrant-serving agencies, industry/employment-specific organizations or educational institutions,”³² through contribution agreements.

Pre-arrival settlement services are available to persons living outside Canada whose application for permanent residence has been approved and who are able to provide the documentation required by the IRCC.³³ Services include employment-related services, such as help to begin the credential and qualification recognition process, while immigrants are still in their country of origin.³⁴

4.6 SETTLEMENT SERVICES FOR NEWCOMERS

Once they arrive in Canada, newcomers have access to services through the Settlement Program, which is supported by IRCC.³⁵ Under this program, IRCC funds service providers, including immigrant aid agencies, social service organizations and educational institutions, to provide assistance in six main areas:

- needs assessment and referrals;
- information and orientation;
- language assessment;
- language training;
- employment-related services; and
- community connections.³⁶

As part of the employment-related services funded by IRCC, some agencies help newcomers prepare for getting their credentials and qualifications recognized and obtaining licences.

4.7 INTEGRATING FOREIGN CREDENTIAL RECOGNITION INTO ECONOMIC IMMIGRATION PROGRAM REQUIREMENTS

The federal government requires that foreign credentials be evaluated to determine their Canadian equivalency as part of the application process for economic class immigrants.³⁷ This requirement is a form of qualification recognition and can facilitate entry into the labour market with certain employers. However, receiving this evaluation does not automatically facilitate access to a regulated occupation.

4.7.1 Evaluating Educational Credentials for Express Entry

The online Express Entry system handles applications for permanent residence under the three economic class immigration programs—the Federal Skilled Worker Program, Federal Skilled Trades Program, and Canadian Experience Class. In some cases, the Express Entry system also enables provinces to recruit candidates through their respective Provincial Nominee Programs.

Under Express Entry, all applicants must meet minimum entry requirements in order to qualify and be put in a pool. They are then assessed individually using a comprehensive ranking system that assigns points when applicants meet certain criteria. The highest-ranking candidates are invited to apply for permanent residence.

If applicants want to receive points for foreign education credentials under the Express Entry comprehensive ranking system, they must submit an education credential assessment (ECA) with their immigration application. The ECA is proof that a foreign degree, diploma or certificate is equivalent to a Canadian one. Persons who completed their education outside Canada also require an ECA to be eligible as a principal applicant under the Federal Skilled Worker program. Immigration applicants who hold Canadian degrees or diplomas are not required to submit an ECA.³⁸

IRCC has designated five organizations and two professional bodies to carry out ECAs for immigration purposes:

- Comparative Education Service, University of Toronto School of Continuing Studies;
- International Credential Assessment Service of Canada;
- World Education Services;
- International Qualifications Assessment Service;
- International Credential Evaluation Service;
- Medical Council of Canada; and
- Pharmacy Examining Board of Canada.³⁹

Anyone planning to immigrate can contact one of these organizations to have their degree, diploma or certificate reviewed in order to obtain an ECA. Charges will apply.

4.7.2 Limitations

It is important to note that receiving an ECA for a diploma/degree or credential does not mean that it will automatically be recognized by the professional regulatory body in the province or territory where the newcomer will live. Consequently, receiving an ECA is not a licence to carry out an occupation or use a particular occupational title.

In addition, the economic immigration stream is just one of Canada's three main classes of immigration. In 2018, 186,352 people were admitted to Canada under the federal economic class program, representing 58% of the total number of permanent residents admitted that year (321,035).

The other immigrants were in the family class (26.5%), the refugee, protected person, humanitarian and compassionate class (14.3%), and other classes (1.2%).⁴⁰ Since slightly more than 40% of Canada's newcomers are admitted to the country on grounds other than economic, modifications to the economic class will not eliminate foreign qualification recognition issues for many immigrants. As long as other streams of immigration exist, there will be a continuing need to assess and recognize newcomers' qualifications.

5 CONCLUSION

The presence of different levels of government and other Canadian jurisdictional complexities makes it difficult to improve current procedures for recognizing foreign qualifications across the country.

The federal, provincial and territorial governments have put various programs in place, aiming to better inform immigrants about qualification recognition before they emigrate and to assist them upon arrival in Canada. Monitoring these initiatives will help to inform future policies.

Lastly, since a high percentage of immigrants are not selected for their economic potential, there will be continued pressure for foreign qualification recognition to be done more fairly and for the economic outlook for newcomers to be improved.

NOTES

- * This Background Paper is based on a publication by Sandra Elgersma, *Recognition of the Foreign Qualifications of Immigrants*, publication no. 2004-29-E, Library of Parliament, 2 April 2012.
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 9. See Ana Ferrer and W. C. Riddell, "Education, Credentials, and Immigrant Earnings," *Canadian Journal of Economics*, Vol. 41, No. 1, February 2008, pp. 186–216.
 10. For a more complete discussion of factors, see Jeffrey G. Reitz, "Immigrant Employment Success in Canada, Part II: Understanding the Decline," *Journal of International Migration and Integration*, vol. 8, 2007, pp. 19, 26 and 27.
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21. For example, see Department of Finance Canada, [*Strong Leadership: A Balanced-Budget, Low-Tax Plan for Jobs, Growth and Security*](#), Budget 2015, p. 165; and Department of Finance Canada, [*Building a Strong Middle Class*](#), Budget 2017, p. 71.
22. For example, see CIMM, [*Recognizing Success: A Report on Improving Foreign Credential Recognition*](#), Thirteenth Report, November 2009; House of Commons, Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities, [*Breaking the Cycle: A Study on Poverty Reduction*](#), Seventh Report, May 2017, pp. 38–39 and 116–117; and CIMM, [*Immigration to Atlantic Canada: Moving to the Future*](#), Fourteenth Report, November 2017, pp. 45–46.
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39. Government of Canada, [*Educational credential assessment \(ECA\) for Express Entry: How to get one*](#).
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