

Acknowledgment

This article was prepared for *People and Place* in German and was translated by John Frerichs, a sociology student at Monash University.

References

¹ Zolberg, A. *et al*, *Escape from Violence: Conflict and the Refugee Crisis in the Developing World*, University Press, Oxford, 1989.

² The majority of non-European applicants travelled with transit visas to East Berlin, then crossed the border on suburban trains not subject to West German border controls.

³ Federal Borderguard Directorate.

⁴ The statistics in Table 3 group all those from the former Yugoslavian areas of Serbia, Bosnia-Herzegovina and Montenegro.

NEW DIRECTIONS FOR THE MANAGEMENT OF THE CANADIAN IMMIGRATION PROGRAM

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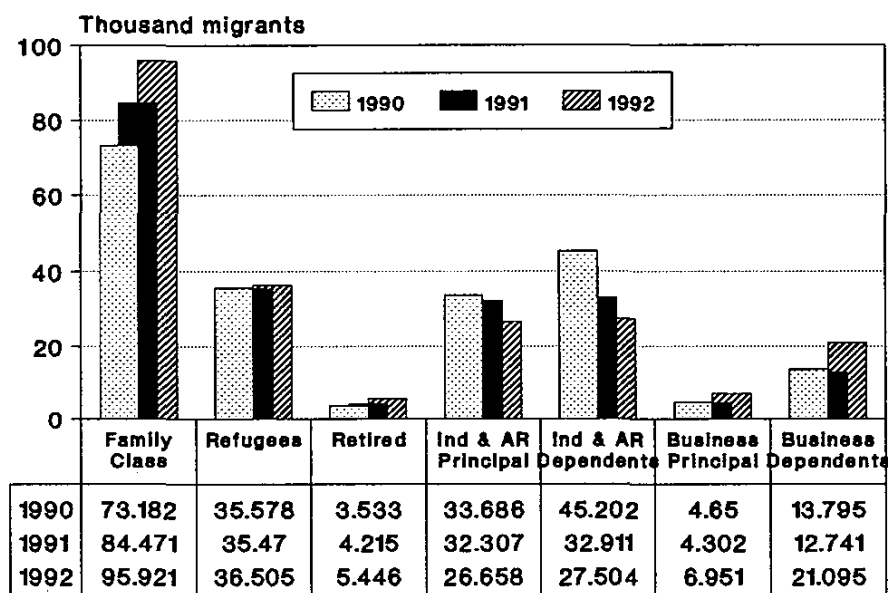
In each of the last three years, Canada has admitted more than 200,000 immigrants. Of these, a decreasing share have been selected for their potential economic contribution — in 1990 the share was 18 per cent, declining to 15 per cent in 1992. Until recently, the characteristics of a relatively large number of those selected were not supportive of domestic efforts to raise productivity. Over the last few years, the rationale for the 'economic component' of immigration has shifted from the view that independent immigration benefits Canada through scale economies (Canada on its own being a relatively small market in the global scene) to the view that independent immigrants must contribute to higher productivity through their skills, knowledge and experience. This view is consistent with the new economic theories of growth which emphasise knowledge and creativity and an ability to produce small runs of specialised, tailored products rather than large runs of the same product (scale economies).

In 1992, more than 25 per cent of principal applicants selected in the Independent and Assisted Relative categories (excluding business immigrants) had only secondary education or less. Twenty-three per cent spoke neither English nor French. Both of these tendencies have been increasing. A combination of factors has resulted in an immigration flow which is dominated more and more by family reunification and humanitarian components. The existence of a large backlog of family class cases with vested rights, poor economic conditions which make Canada a relatively unattractive destination for highly skilled applicants and a lack of effective management tools to implement desired changes to levels and components have frustrated the Government's ability to influence the make-up of its annual immigration flow.

Figure 1 shows the distribution of immigrants by class landed in Canada over the last three years.

With the passage of Bill C-86 in February of this year, the Canadian Government acquired the ability to manage immigration flows in an explicit and effective manner. The Bill

Figure 1: Immigration components, Canada,* 1990 to 1992



Ind-Independents, AR-Assisted Relatives
 * excluding backlog clearance program

allows, for the first time, for regulations to be developed which place limits on the number of visas issued to specified immigrants classes and for selection to be made on a first-come, first-served basis or on a comparative basis — choosing the best rather than those who apply first and meet a threshold standard.

Since the passage of the Bill, the Government has introduced measures which pave the way for fundamental changes in the nature of immigration and the way it is managed. To date, no regulations have been introduced to limit visa issuance, but important changes have been made to the selection criteria for skilled workers. These are the first steps towards reconfiguring the flow of independent immigrants, prior to introduction of a comparative method of selection.

The Immigration Plan for 1993 calls for 250,000 immigrants — 100,000 in the family class (who qualify solely on the basis of relationship), 44,000 refugees, 104,000 in the independent, assisted relative and

business classes and 2,000 retirees. Of the 104,000, thirty-three and a half thousand are principal applicants who are independents or assisted relatives (the skilled worker program) and 7,500 are principal applicants who are business persons. These principal applicants must qualify against a set of rated selection criteria; however, the current point structure awards such high bonus points to business applicants for their financial and business experience that other significant criteria such as language and education do not figure significantly in their selection. The changes to date have focused on the skilled worker component, that is independents and assisted relatives.

THE SELECTION GRID

Skilled workers must meet one of three criteria for their application to be assessed:

(1) their intended occupation (one in which the applicant has had at least one year's experience) is on the General Occupations List¹;

(2) their intended occupation is on the Designated Occupations List (a small list of occupations in shortage); or
 (3) they have arranged employment in Canada, with a job offer validated by a government employment centre.

If they meet one of these criteria, their application is accepted for further assessment against the selection criteria.

The selection grid (see Table 1) assesses the applicant against eight separate factors: intended occupation, work experience (in the intended occupation), specific vocational preparation (training required to practise the intended occupation), arranged employment or designated occupation (additional points are awarded for those with arranged employment or whose occupation is in shortage), education, language, age and personal suitability. Assisted relatives are subject to the same selection process as independents, but receive bonus points for having relatives in Canada. All applicants receive (the same) points for a

demographic factor that is used as a 'valve' to control the flow of qualified applicants.

Currently, just over 100 points are available to skilled worker applicants and the pass mark is set at seventy points. The criteria are heavily weighted towards the applicant's intended occupation (forty-six of the available points).

One of the objectives in moving to 'selection for excellence' (that is to a comparative method of selection) is to update the selection criteria to better reflect labour market needs, that is to lessen reliance on occupation-related criteria and to place more emphasis on criteria which provide labour market participants with transferable skills and with flexibility.

WHAT CANADA HAS DONE SO FAR

In February of this year the Canadian Government made several changes to the selection criteria with a view to shifting their relative importance and emphasising higher skills.

Table 1: Selection System

Criteria	Point Allocation
1. Education	16 maximum - depending on the candidate's level of education
2. Specific Vocational Preparation	18 maximum
3. Experience	8 maximum
4. Occupation	10 maximum - 'O' an automatic processing bar
5. Arranged Employment/ Designated Occupation	10 points
6. Demographic Factor	8 points - can be set between 0 and 10
7. Age	10 maximum - 10 points if 21-44, for each year <21 or >44 subtract 2 points
8. Knowledge of English and French	15 maximum - assessed on basis of ability to read, write and speak the official languages
9. Personal Suitability	10 maximum
TOTAL	105
Pass Mark	70
Bonus for Assisted Applicants	5 if 'assisted relative' relationship exists

The points for Specific Vocational Preparation (a measure of the training required to practise an occupation) were raised for higher skilled occupations. At the same time, the bonus points for assisted relatives were reduced from ten or fifteen to five points. This made it more difficult for applicants with lower skills, less education or less language ability to qualify by virtue of their large bonus. (There is scant evidence that assisted relatives succeed in economic terms. In fact, assisted relatives have consistently performed well below the level of applicants without relatives and on a par with refugees.) In many ways, this change was the most significant in that all applicants (independents and assisted relatives) must now 'compete' on a similar basis.

Because the changes dampened the 'supply' of applicants, we took several steps to ensure that the planning level for skilled workers (independents and assisted relatives) could still be achieved. As part of a regular quarterly review, the number of occupations on the General Occupations List was increased (as of January 1, 1993). Also, the demographic factor was raised (from five to eight points), giving all applicants an additional three points. (Notwithstanding these adjustments, the initial round of changes probably made it more difficult for most applicants to qualify.)

Following the first round of changes early in the year, a second set of adjustments was introduced in August, affecting language and education. These changes followed the direction set earlier in the year, in that they again increased the abilities required of successful applicants. The original selection criteria for education awarded only one point per year of education — to a maximum of twelve

— but did not award any points for post-secondary or university education. Under the new criteria, applicants who have not completed secondary school receive no points, while those with post secondary education receive additional points. This reflects the new focus on the acquisition of transferable skills such as numeracy and literacy, rather than training that is narrowly related to an occupation. The changes to language were intended to make it more difficult for persons with minimal English or French language skills to qualify. Persons who communicate with difficulty will no longer receive any points as compared to the three they could previously earn for each language, English and French. The ability to communicate in English or French is critical for an immigrant to make an effective contribution to Canada's labour market. The language changes are designed to work with the new education regulations. Research has indicated that the higher the level of education or skill required for a particular occupation, the greater the language fluency that is needed.

In making these changes to the selection criteria (which emphasise factors other than occupation and which make it more difficult for those with low skilled occupations or with little education and poor language skills to qualify) we were, again, concerned that there could be a negative impact on the number of successful applicants. To compensate, the number of occupations on the General Occupations List was expanded in August, allowing applicants in a larger number of occupations to be considered, and increasing their 'supply'.² To expand the List, we changed the way in which we used the unemployment rate as a screen for deciding which occupations to 'list'

and which to exclude. Basically with the exception of those occupations with extremely high unemployment rates, such as the construction trades (where the unemployment rate is over 20 per cent), all occupations were listed (which met the other 'screens' described above). This expansion of the List was consistent with the decision to 'de-emphasise' the importance of choosing people for specific occupational niches. Research indicates that many immigrants do not, in fact, practise their intended occupation, and increasingly, individuals are faced with career and occupational changes as a result of rapid restructuring in the labour market.

WHAT NEXT?

The two non-occupational criteria that still need to be reviewed are age and personal suitability. We will be looking at the role of age as an indicator of successful establishment (or economic success) with a view to narrowing the age range from the current band of twenty-one to forty-four years (the range eligible for the full ten points). Consideration will need to be given to the quality/quantity trade-off, as reducing the range of years will reduce the number of successful applicants.

SELECTION FOR EXCELLENCE

Selection for excellence can be equated to application for university entrance. There are a fixed number of spaces and the best are selected from the pool of applicants. In any year applicants compete for the available slots. Under 'selection for excellence', applicants will be assessed against a set of selection criteria and will require a minimum score to be accepted into a pool. Selection from the pool(s) will be made at regular intervals, and the number will be limited in accordance

with the annual immigration plan. Unsuccessful applicants may be held in the pool for more than one selection 'round' after which their applications will be refused.

In order to implement 'selection for excellence', pools will have to be defined. We are currently leaning towards using skill levels for this purpose. Since each occupation in the Canadian classification system has a unique skill level assigned to it, the applicant's intended occupation would determine the relevant pool for selection. The skill level (currently defined as Specific Vocational Preparation) would no longer be used to award points, but rather would function as a sorting device.

The shift to pools will affect the manner in which the other criteria are used. The role of experience as a selection criterion would need to be reviewed because points for experience are currently based on the applicant's skill level — applicants with five years' experience in a low skilled occupation currently receive fewer points than applicants with five years' experience in a high skilled occupation. Also, under the existing selection system, the points awarded for occupation can vary between one and ten, reflecting a range of labour market considerations. Whether it is desirable or feasible to continue with differing occupational points will also have to be reviewed. The net result of these changes is that the number of criteria which are used to award points to applicants will be fewer than the current set, and the point structure will have to be re-examined to make sure that the relative weight of each factor reflects its desired importance. However, while points will have to be rebalanced, we do not anticipate changing the criteria themselves in a major

way (we have already done this for education) or introducing new criteria.

OTHER CONSIDERATIONS

Under the current system, applicants who have pre-arranged employment in Canada are assessed against the same selection criteria as other skilled workers, but they receive 10 extra points for the job offer. A similar structure is in place for Designated Occupations which represents occupations in short supply, but which do not require vetting on an employer by employer basis (applicants do not have a specific job offer in Canada).

In neither case — arranged employment or designated occupations — would it make sense to implement a comparative section process. Both programs are designed to meet immediate labour market needs. In the first case, the employer selects the appropriate immigrants for his or her needs; the request for the foreign worker is reviewed by the Canada Employment Centre and the visa office ensures that the applicant meets the section criteria and has the training and experience necessary for the position. In the second case, the program is designed to fill immediate labour market shortages and occupations are removed from the Designated List as soon as the (small) targets are met.

It will still be necessary to continue to assess applicants with arranged employment or designated occupations against a minimum set of criteria; however, these may need to differ from those used for the 'selection for excellence' stream. As the designated occupation and arranged employment programs are currently bundled with the rest of the skilled worker program, the introduction of selection for excellence will require that they be

unbundled. Discussion will take place with the provinces to determine the most effective way to serve immediate, well-defined labour market needs, while maintain control over immigration flows.

THE END RESULT

The resulting management system will allow for explicit and effective control of immigration level and skills. Selection will focus on the best as opposed to those with better access to posts abroad. The nature of the skilled worker movement will also change moving the focus away from an applicant's intended occupation, and concentrating instead on 'generic' attributes that will contribute to Canada's productivity and competitiveness.

References

- ¹ The General Occupations List is derived from the Canadian Classification Dictionary of Occupations. From the list of possible occupations those (1) with low skill levels, (2) with citizenship requirements, (3) with unemployment rates in excess of the national average (see below for change to this with the expansion of the list (in August 1993), (4) occupations for which promotion is through internal job ladders (generally highly unionised) and (5) those to which special considerations apply (e.g. physicians are excluded). Occupations are assigned points, from one to ten. The list is reviewed and updated quarterly. The applicant's intended occupation must be on the list at the time his or her application is received at the post.
- ² As long as assisted relatives received large bonus points which reduced the importance of key criteria such as language and education, an expansion of the List was not feasible as it would have increased the number of immigrants in low skilled occupations, with low levels of education and poor language ability. The reduction in bonus points earlier in 1993 made the expansion of the List possible.