

International students as source of labor supply during the period of study and after graduation

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Summary

- Very interesting account of the trajectory that international students follow during their first 10 years since first arrival.
- We learn that:
 - More than half of international students come to Canada to study a short, post-graduate program (in colleges: 41%)
 - About half study in Ontario (47%), and prefer Business, Management and Public Administration fields.
 - 10 years after arrival, 1 in 2 graduate students becomes PR.
 - International students are increasingly more likely to work.
 - PGWP holders' median earnings are increasing.
 - Pre-immigration Canadian experience explains earning differentials.

Comment 1

Overall, international students that come to Canada **to study in a college program**:

- Are more likely to work with student permit.
- They earn more relative to other international students.
- Have higher transition rates to PGWP from study permit.
- Have higher transition rates to PR after PGWP.

Why?

- Is this advantage due to the characteristics/profile of these students?
- Or are the type of skills attained in college programs (rather than in universities) more marketable?

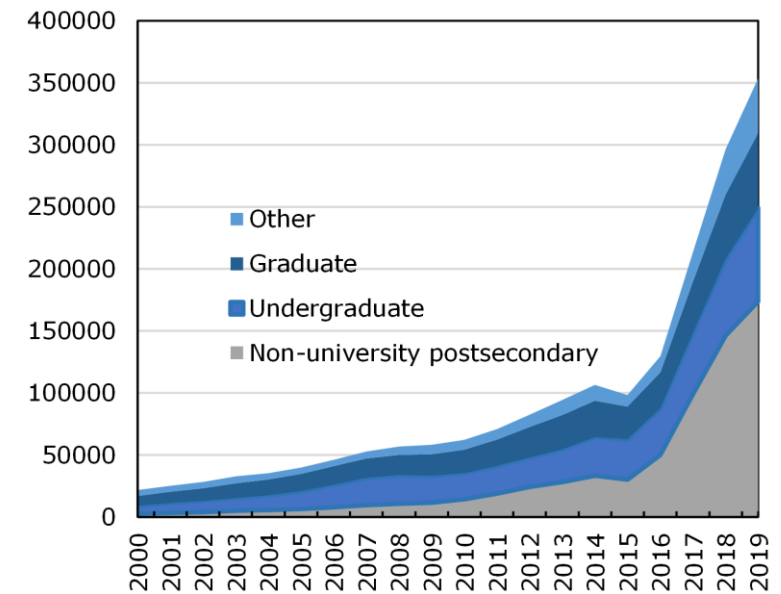
Comment 2

Between 2000-2019, proportion of international students with T4 earnings grew 15-fold, and 60-fold for those enrolled in college programs.

What's the reason of the sharp increase?

- It's likely they work to afford tuition & living, given the median salary and industry.
- Most college programs in the business and management fields have a co-op term that is mandatory to graduate. Do these statistics account for it?
- Does this increase coincide with changes in eligibility criteria of an immigration program?

Number of international students at the postsecondary education level with T4 earnings by level of education

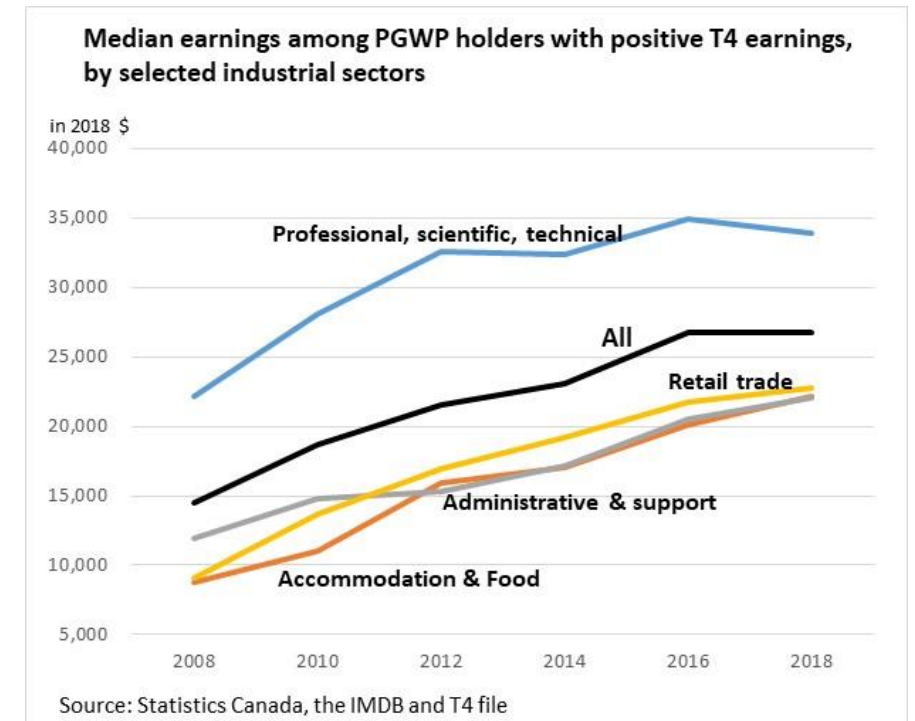


Source: Statistics Canada, Longitudinal Immigration Database and T4 file.

Comment 3

PGWP holders' median earnings are increasing.

Why? What explains the upward trend?



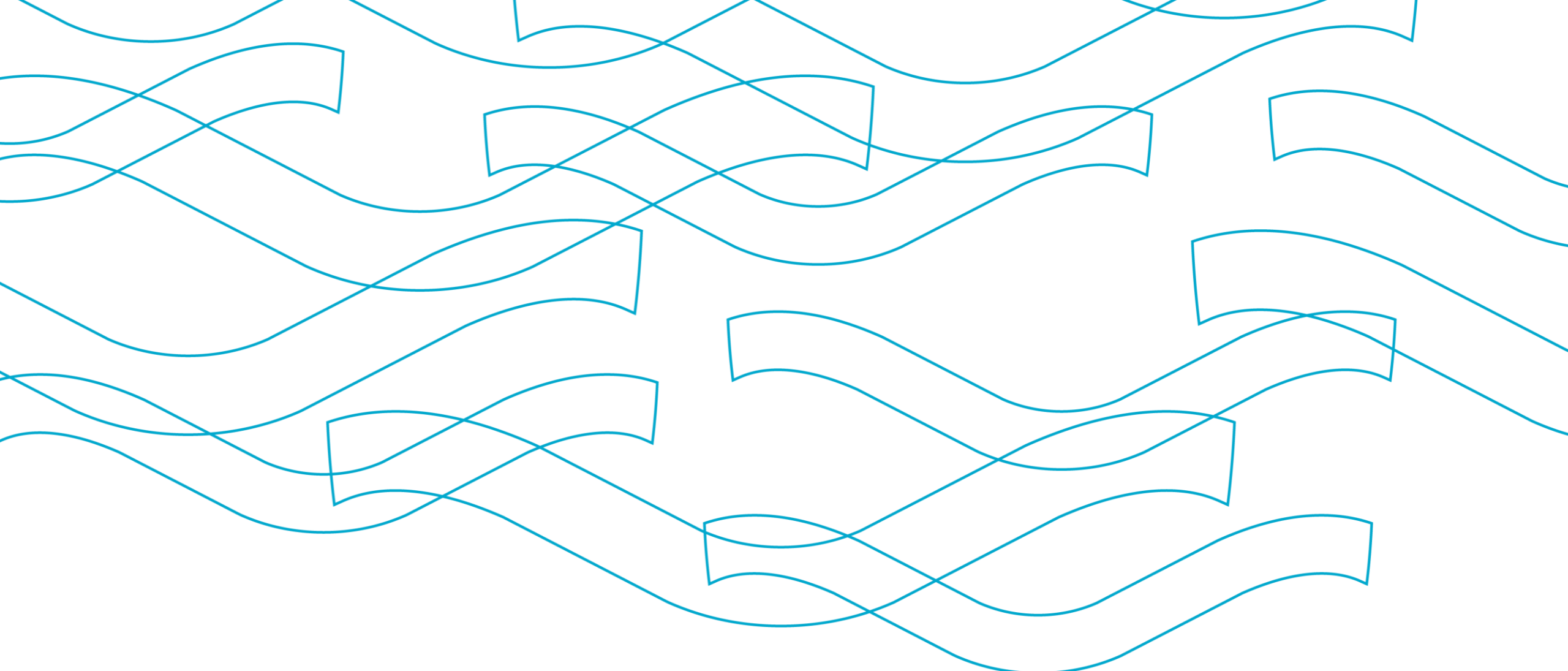
Comment 4

The share of immigrants with pre-immigration Canadian education increased 10-fold (7% to 68%) during the last 2 decades.

Given they are among highest earners, therefore high contributors to tax revenues, they are likely given higher priority in admissions.

How do these experienced workers impact the labor market?

Are they filling a skill gap, or are they displacing low-skilled domestic workers, non-experienced immigrants?



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