

A Comparison of the U.S. and Canadian Immigration Systems

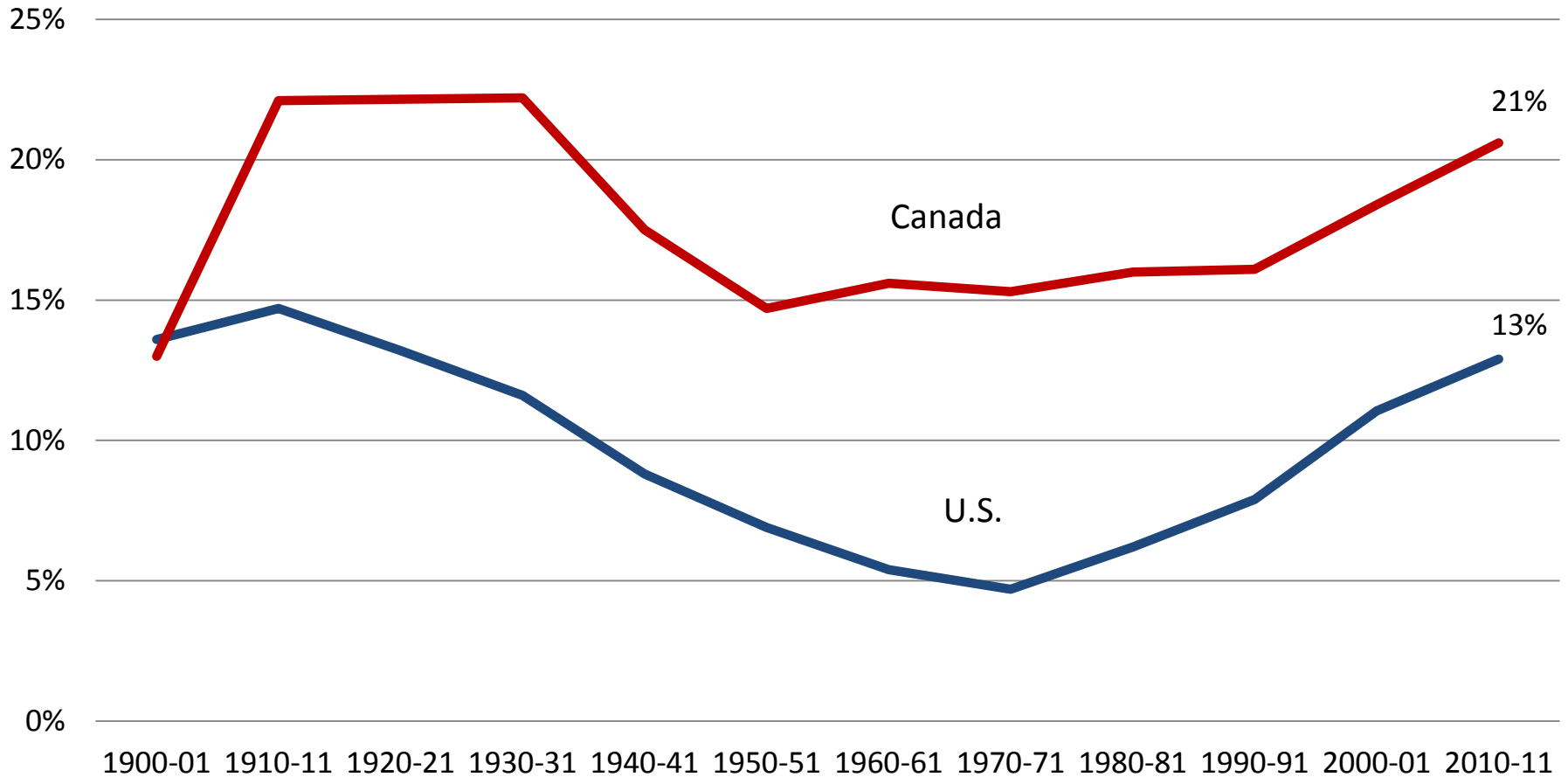
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and
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Overview

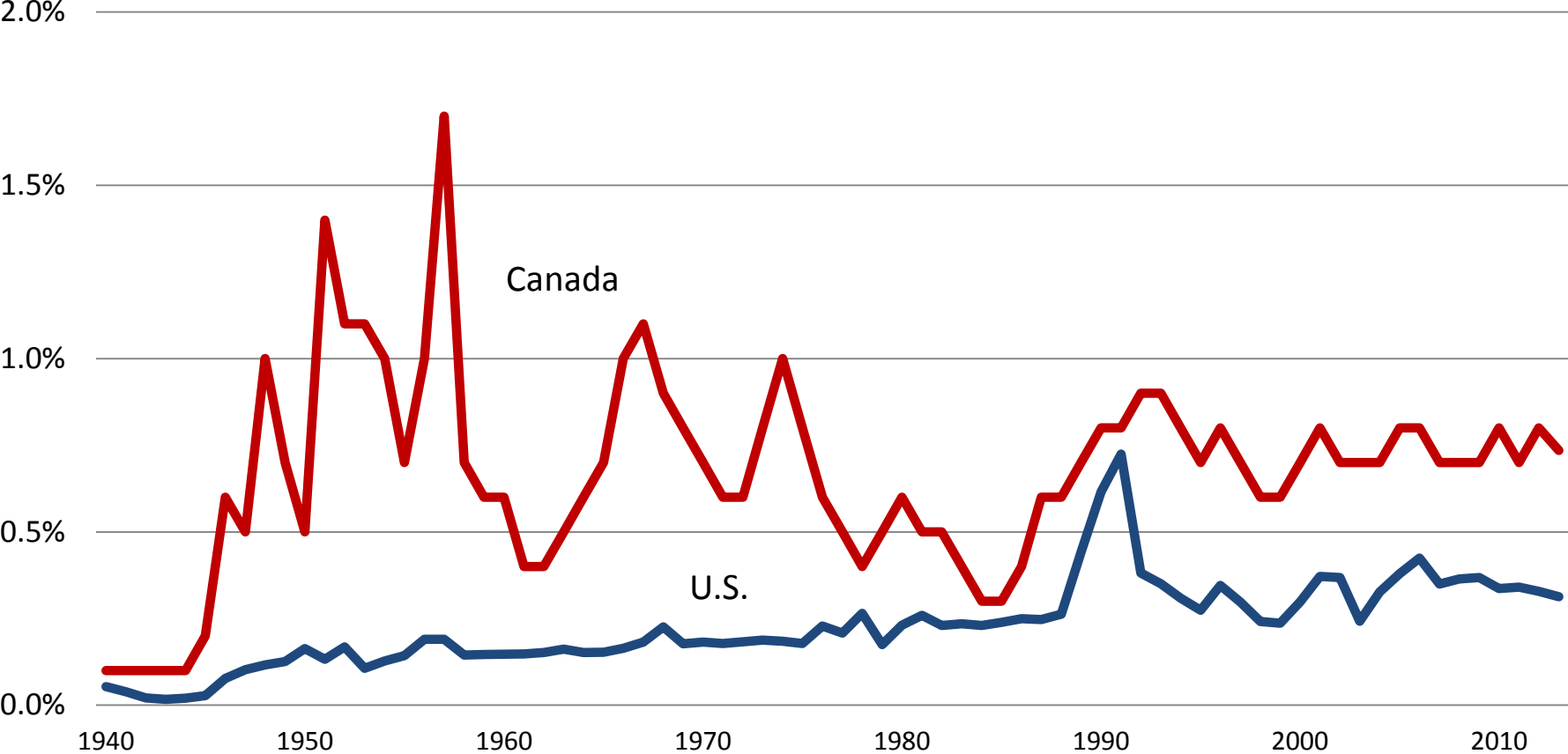
- Canada and the United States have very different admissions policies
- Canada has better-educated and younger immigrants than the United States
- Nonetheless, there are concerns about Canadian immigrants' economic success
 - These concerns have led to a number of changes in immigration policy in Canada
 - Early indicators suggest those policy changes are positive

Canada has a higher foreign-born share than the U.S.



Source: US Census Bureau; Statistics Canada; Canadian data correspond to the year after the U.S. Census

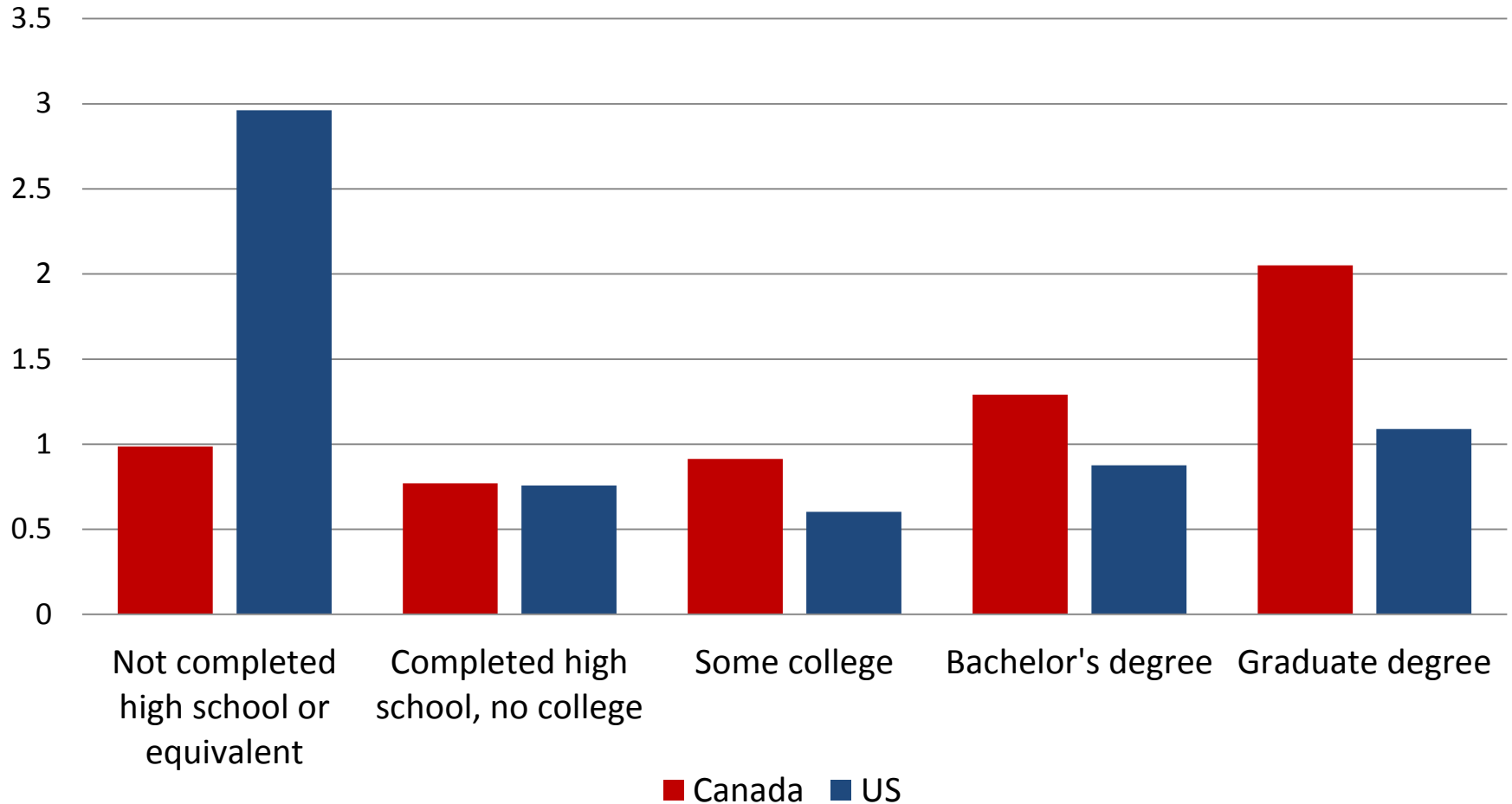
Canada admits more permanent residents relative to its population



Source: US Department of Homeland Security and US Census Bureau; Citizenship and Immigration Canada

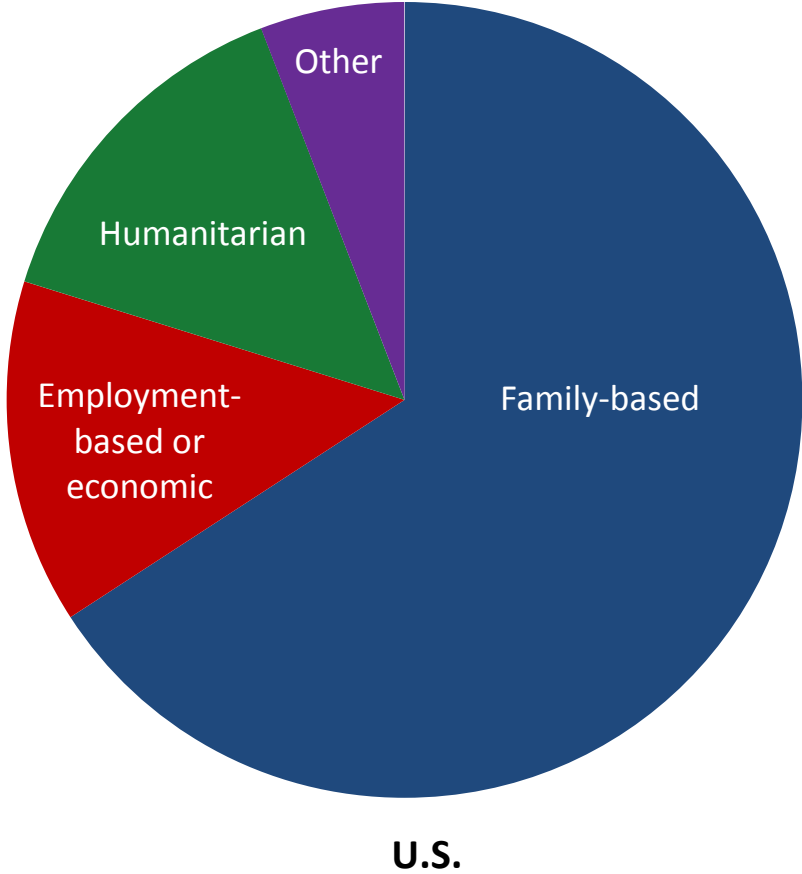
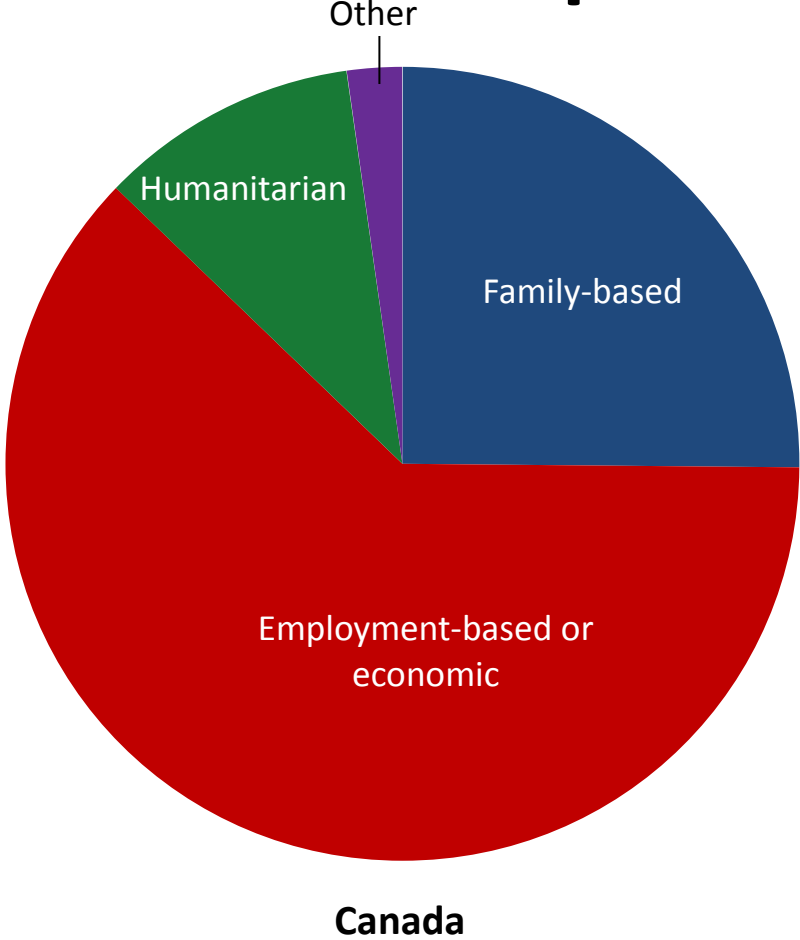
Immigrants are more educated in Canada

Ratio of foreign born share
to native born share



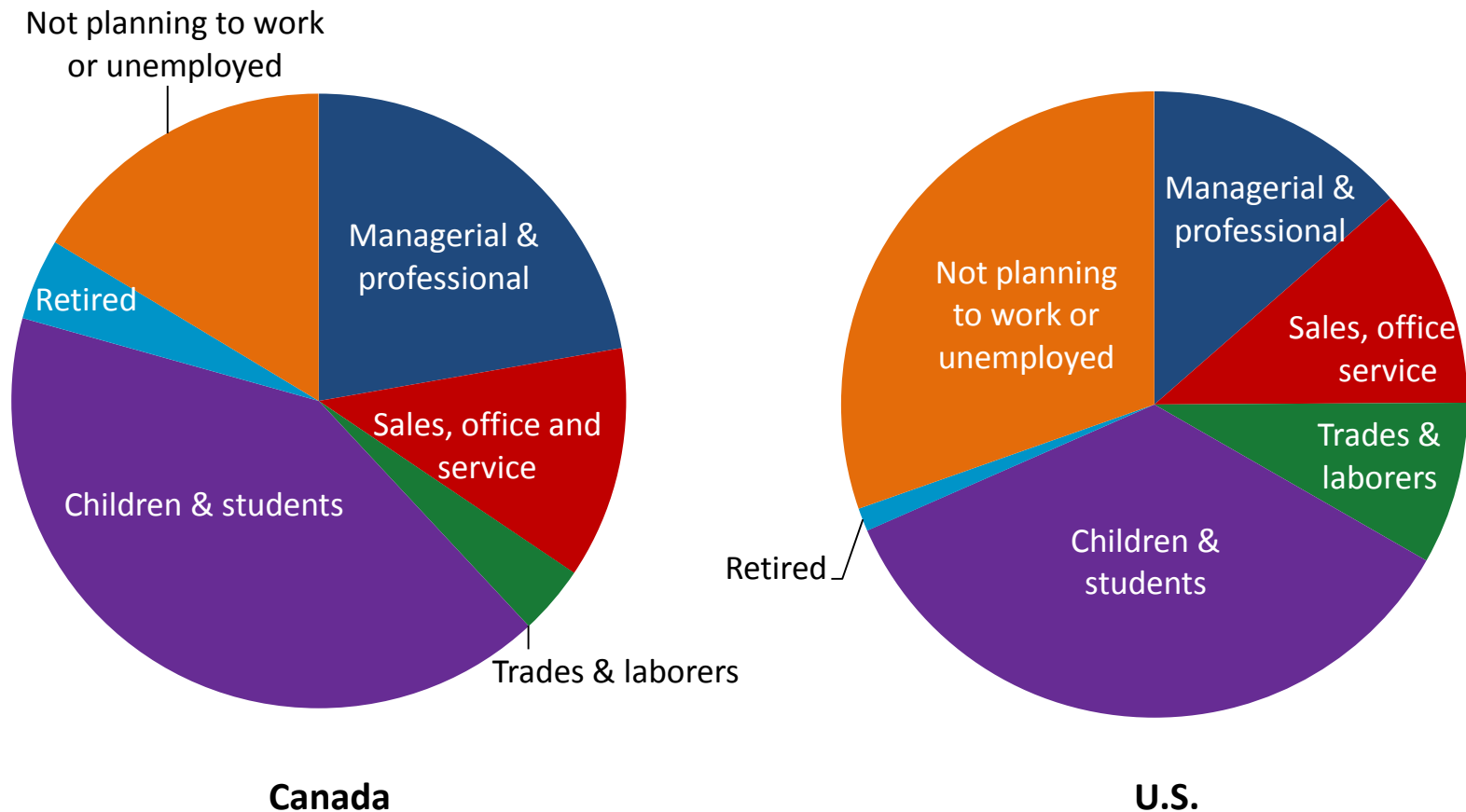
Source: Calculations based on 2011 American Community Survey (US) and 2011 National Household Survey (Canada); only includes people aged 25 and older

Employment-based immigration is more important in Canada



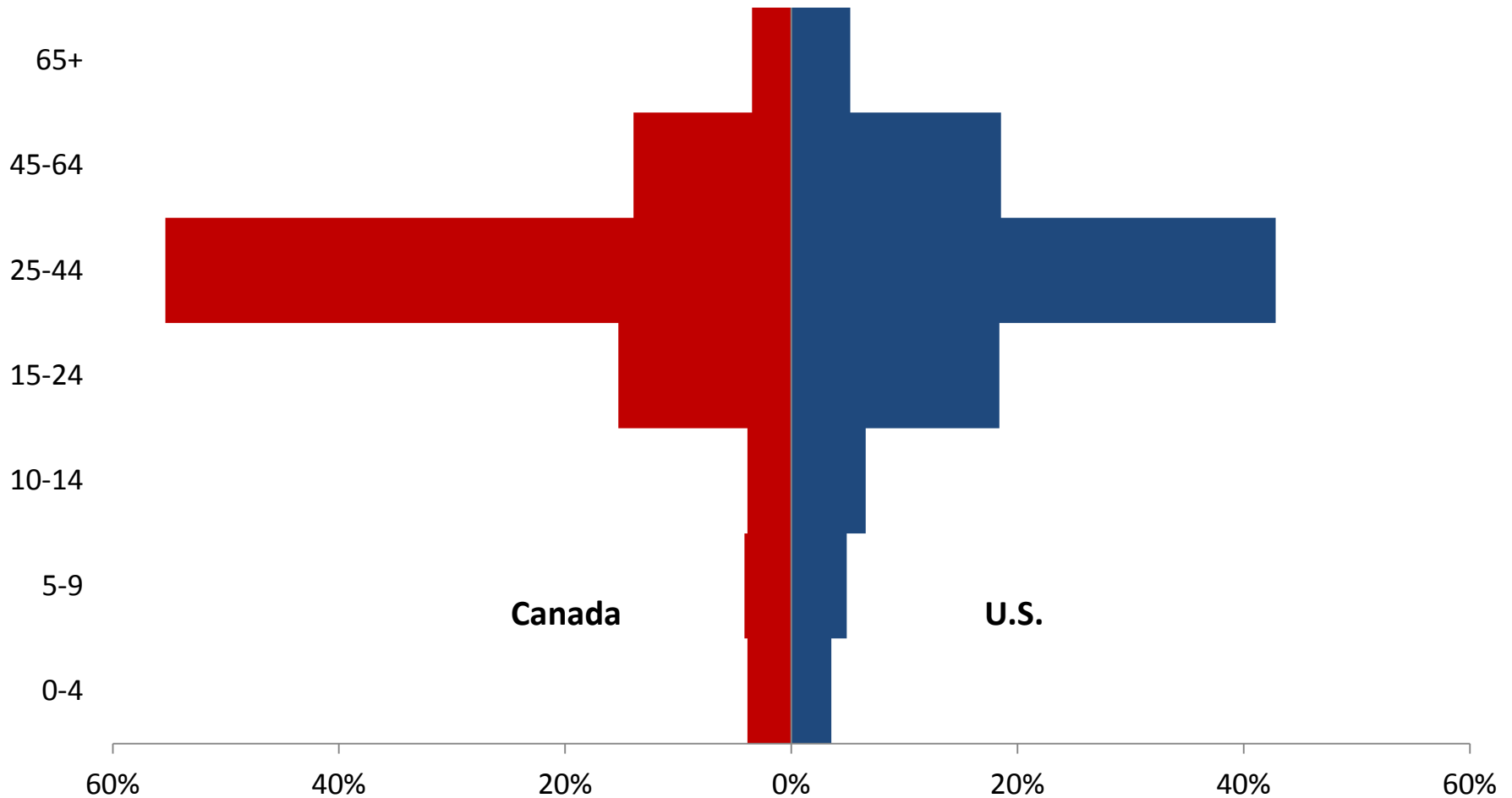
Source: U.S. Department of Homeland Security; Citizenship and Immigration Canada; average of new permanent residents over 2009-2013 for both

More new immigrants are in managerial & professional occupations in Canada



Source: U.S. Department of Homeland Security; Citizenship and Immigration Canada; average of new permanent residents over 2008-2012 for both; does not include unknown occupation or “new workers” or entrepreneurs

New immigrants to Canada are more likely to be working age

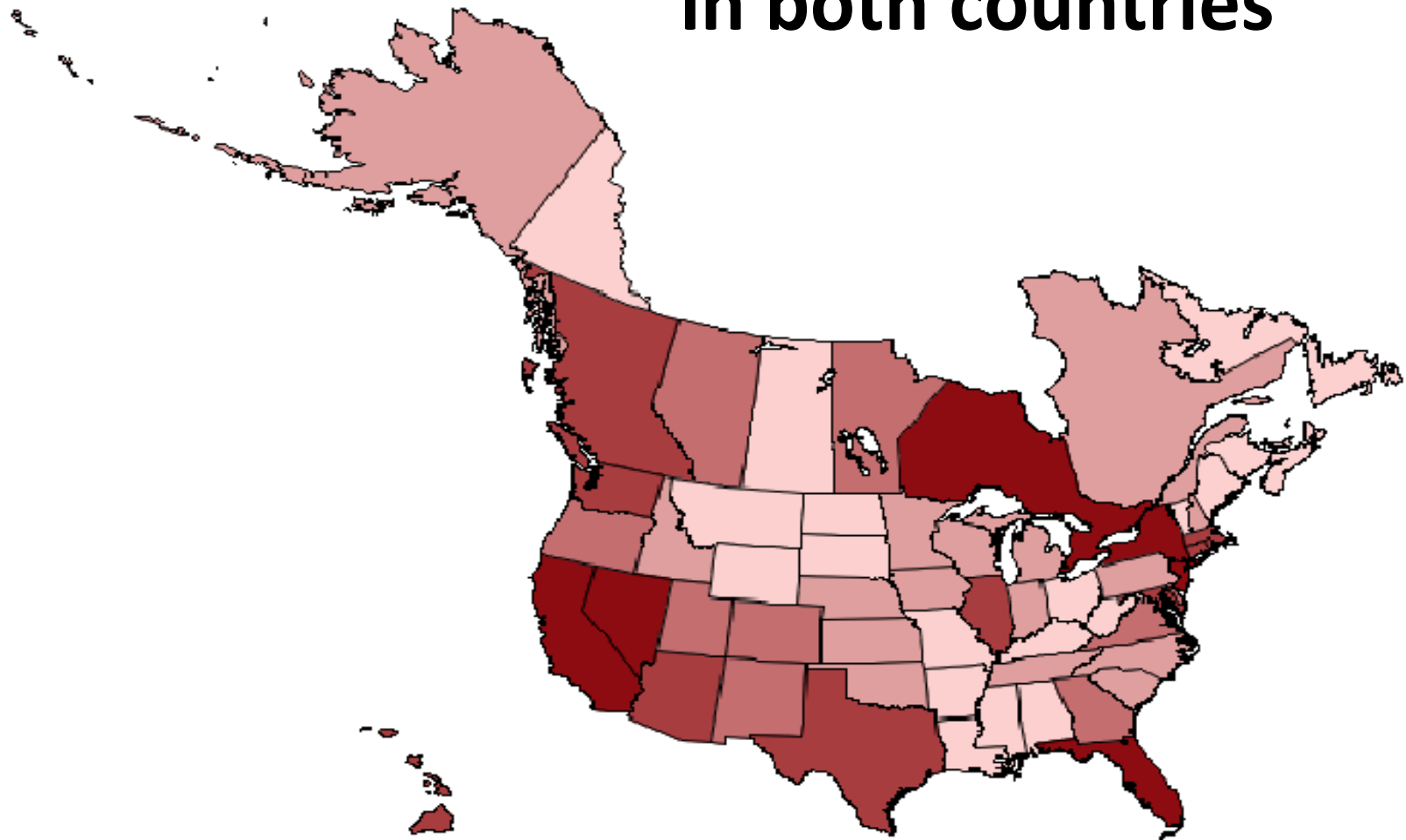


Source: U.S. Department of Homeland Security; Citizenship and Immigration Canada; average of new permanent residents over 2008-2012 for both

So what's the catch?

- Canadian immigrants are highly geographically concentrated
- Skills don't necessarily match employers' needs
 - Education and experience acquired abroad not highly valued
 - Concerns about language skills despite point system

Foreign born are geographically concentrated in both countries

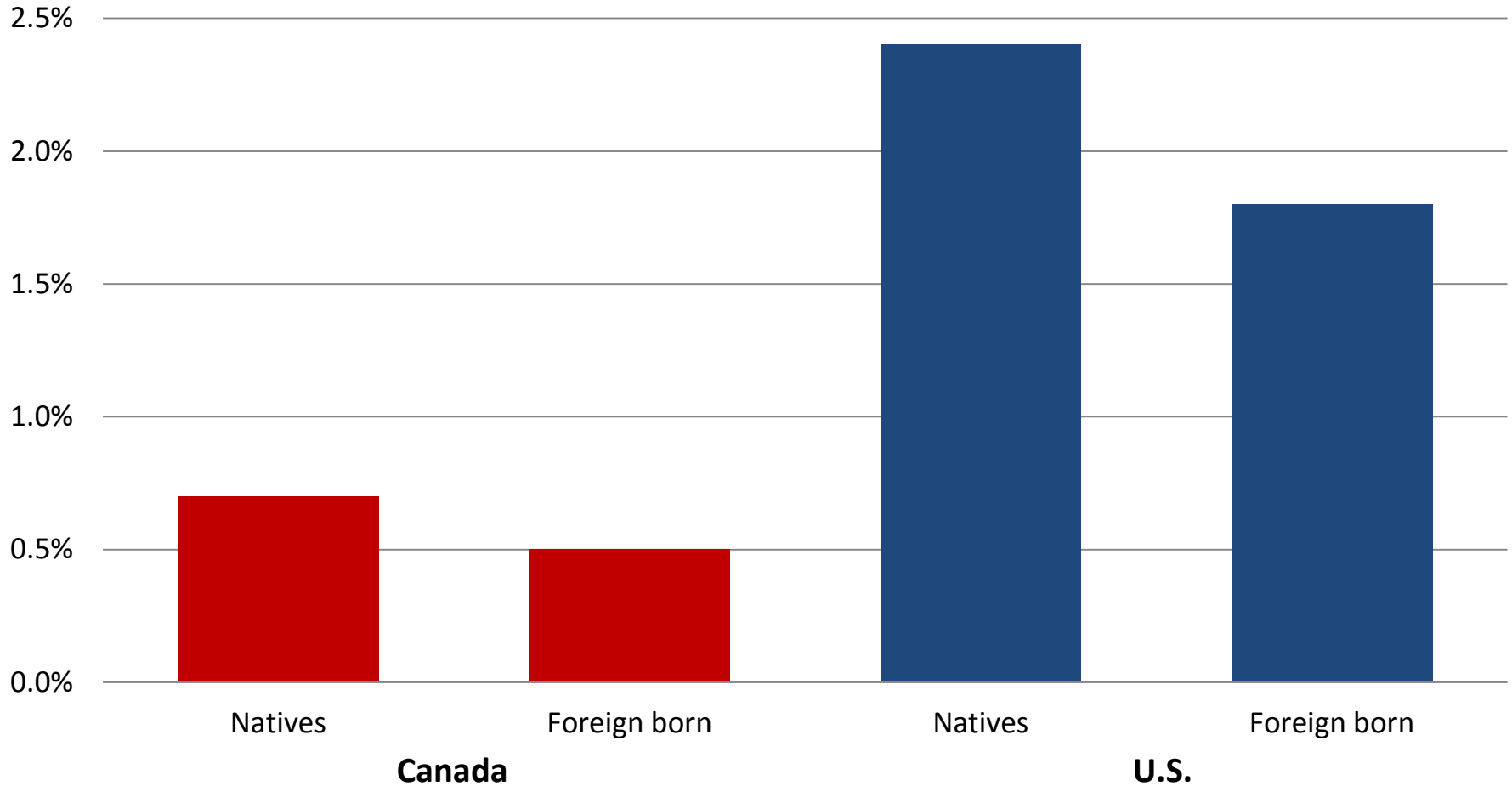


Ratio of % Foreign Born in Each State/Province to % Native Born in Each State/Province



Mobility rates are lower in Canada

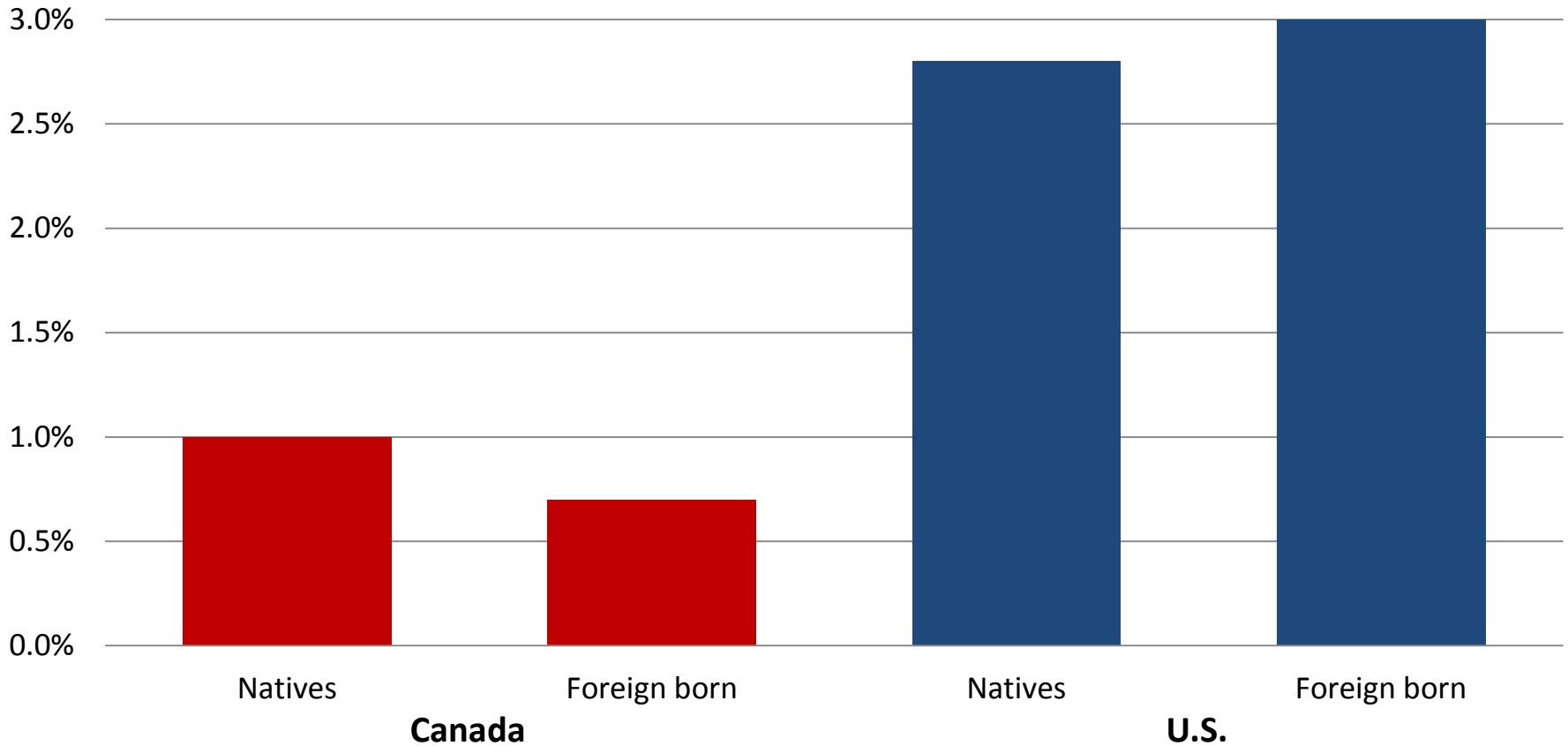
Percent moving states or provinces



Source: Calculations based on 2011 American Community Survey (U.S.) and 2011 National Household Survey (Canada); among those in country last year, share living in a different state or province this year

Low mobility even among college graduates in Canada

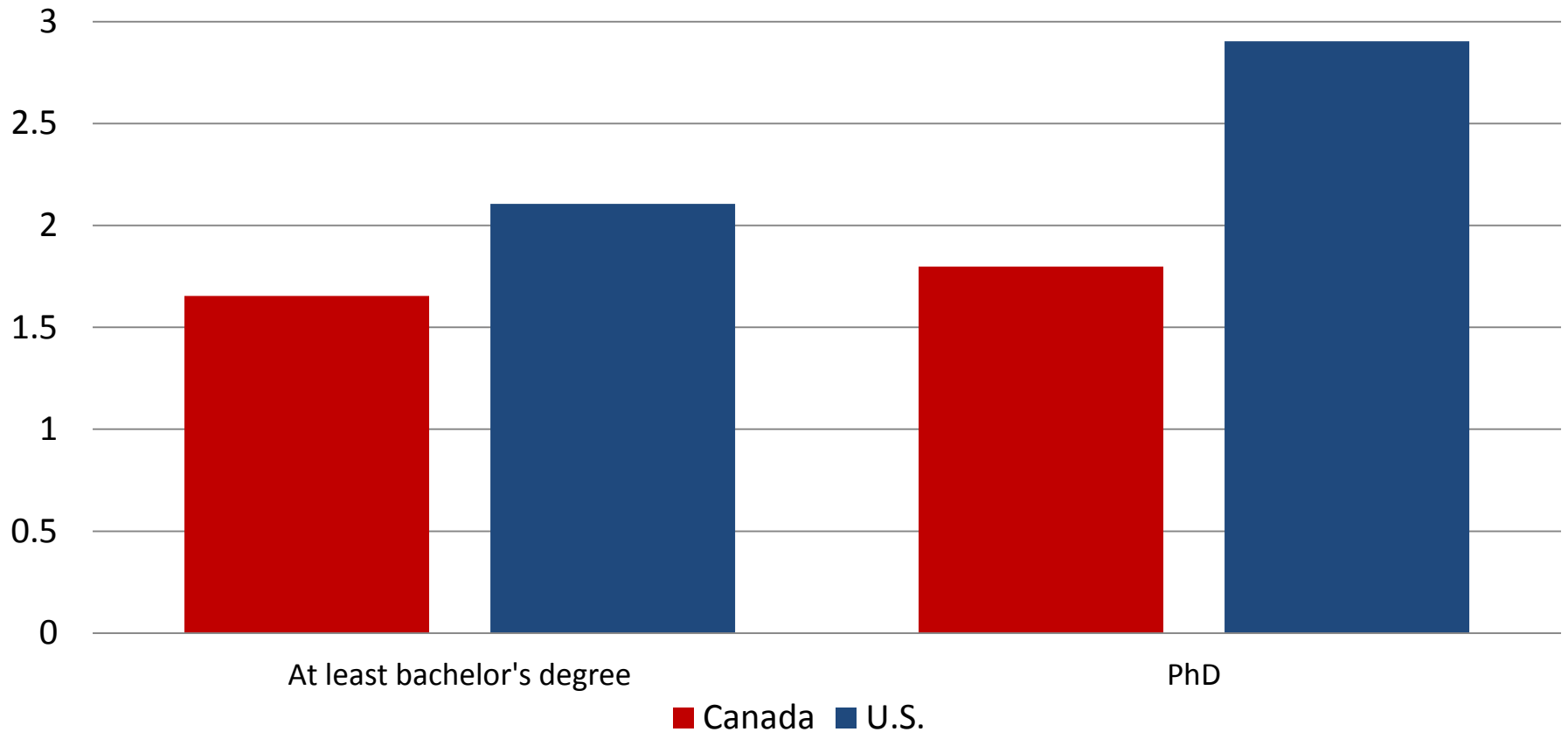
Percent moving states or provinces



Source: Calculations based on 2011 American Community Survey (U.S.) and 2011 National Household Survey (Canada); among those in country last year aged 25 and older with a least a bachelor's degree, share living in a different state or province this year

Immigrants are more likely to work in STEM occupations in the U.S.

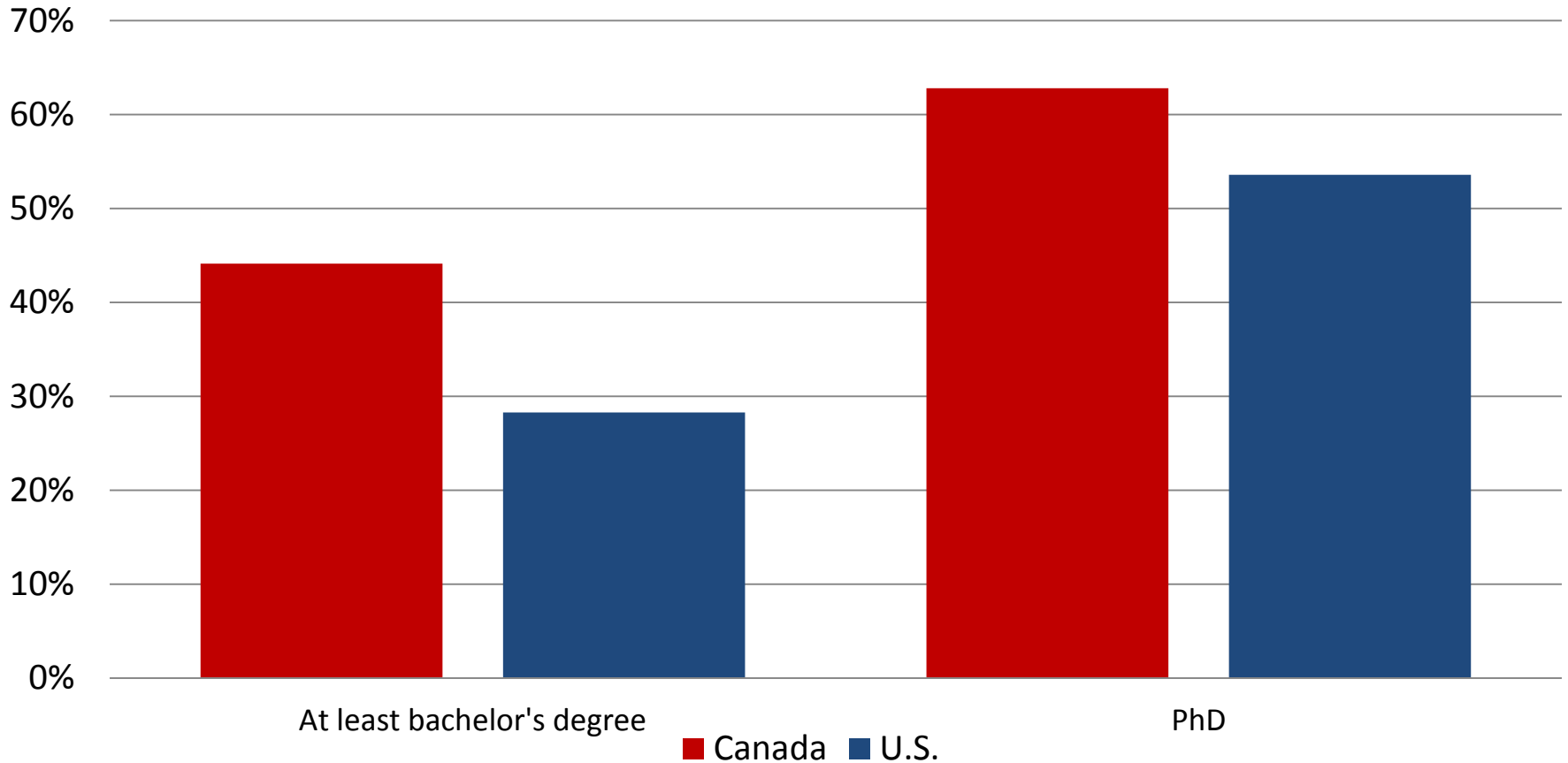
Ratio of foreign-born share to native-born share



Source: Calculations based on 2011 American Community Survey (U.S.) and 2011 National Household Survey (Canada); only includes people aged 25 and older

But Canada relies more on immigrants for STEM workers

% of STEM workers foreign born

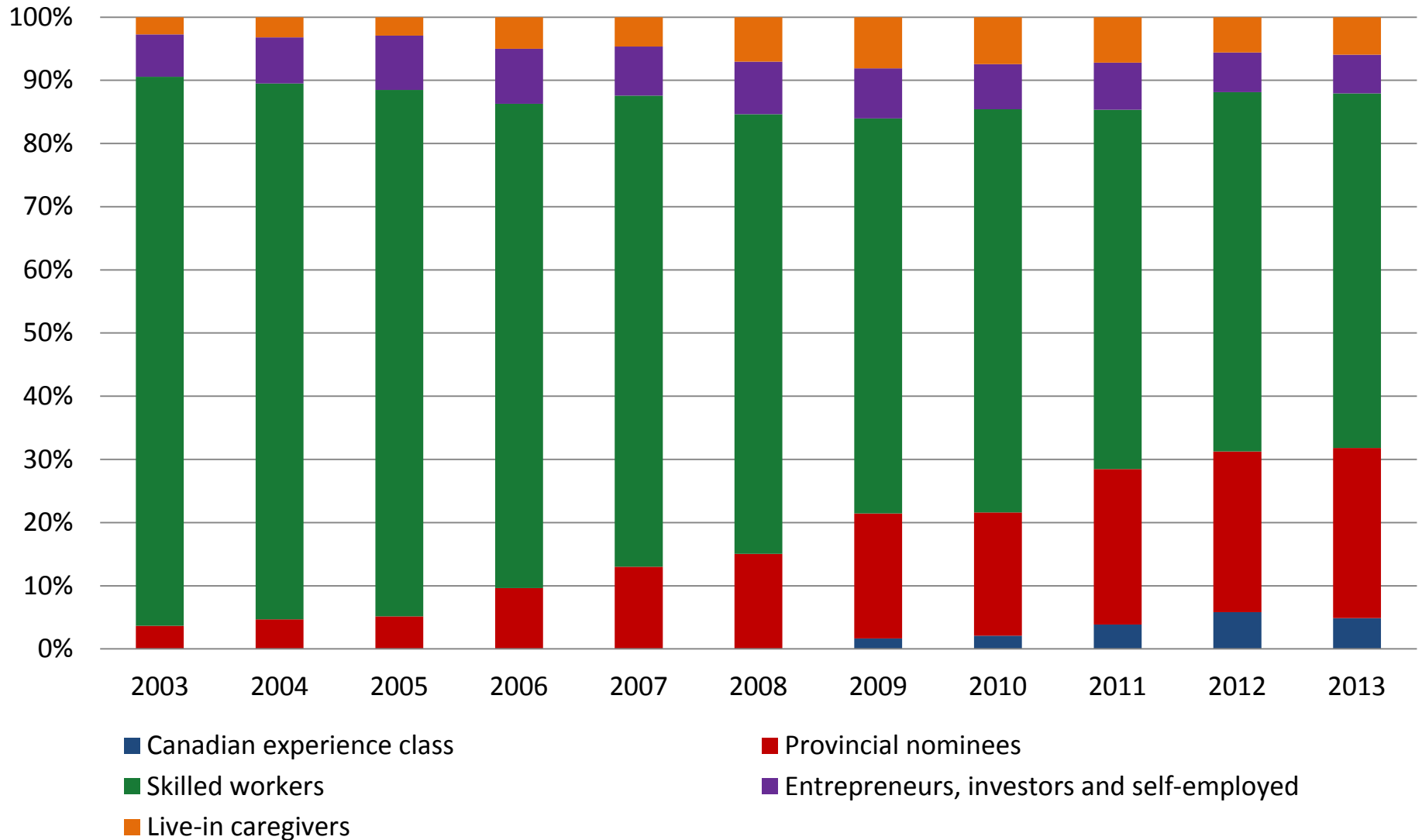


Source: Calculations based on 2011 American Community Survey (U.S.) and 2011 National Household Survey (Canada); only includes people aged 25 and older

How Canada admits economic class immigrants has changed

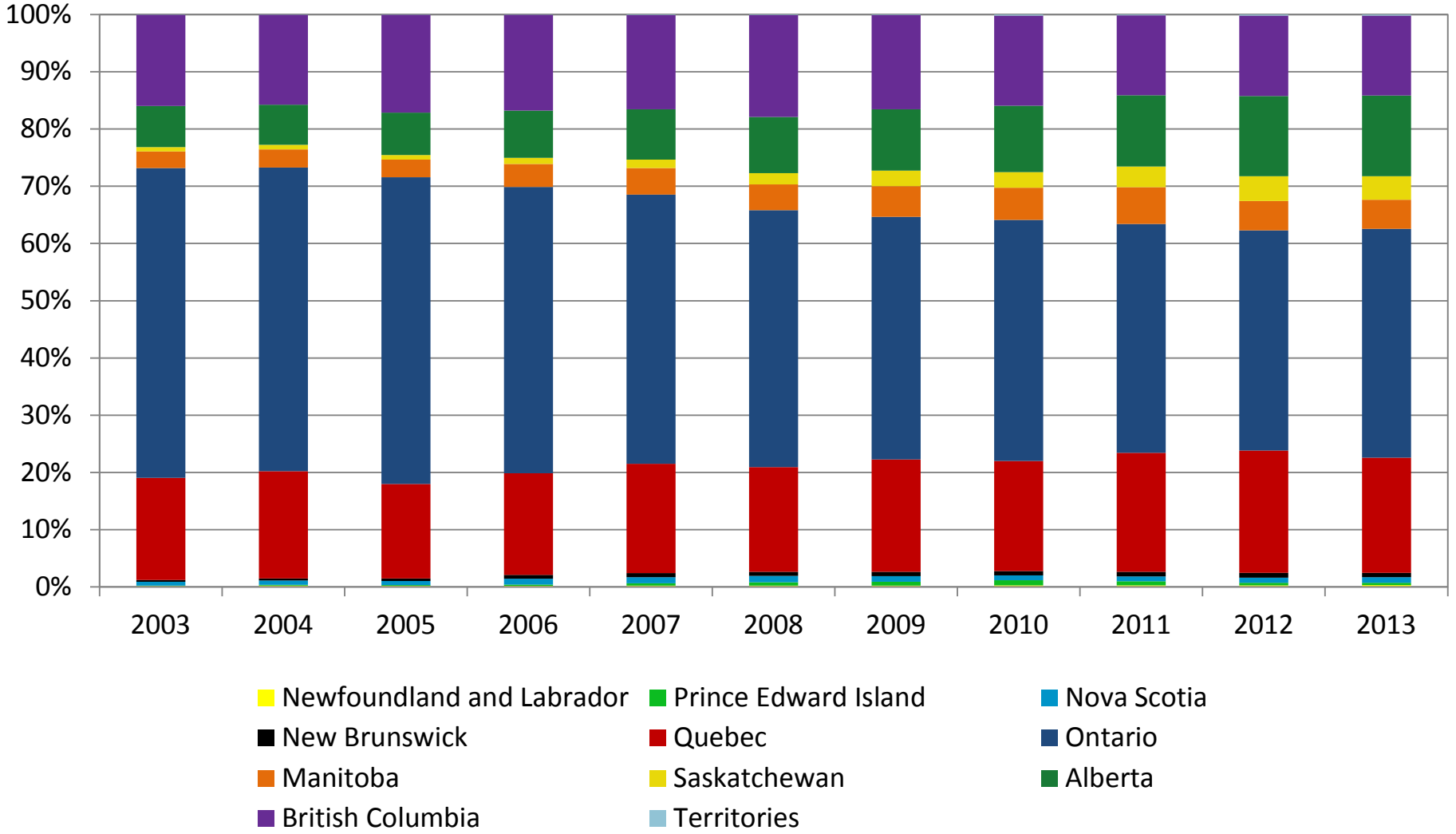
- Provincial Nominee Programs created in 1990s
 - Allow provinces to select immigrants
 - Most nominees have job offers or desired skills
 - Many nominees not highly educated
- Canadian Experience Class created in 2008
 - Allows temporary foreign workers and international students to stay
 - Primarily—but not exclusively—for skilled occupations
- Federal Skilled Trades Program created in 2013

Provincial nominees and Canadian experience class are growing in Canada



Source: Citizenship and Immigration Canada

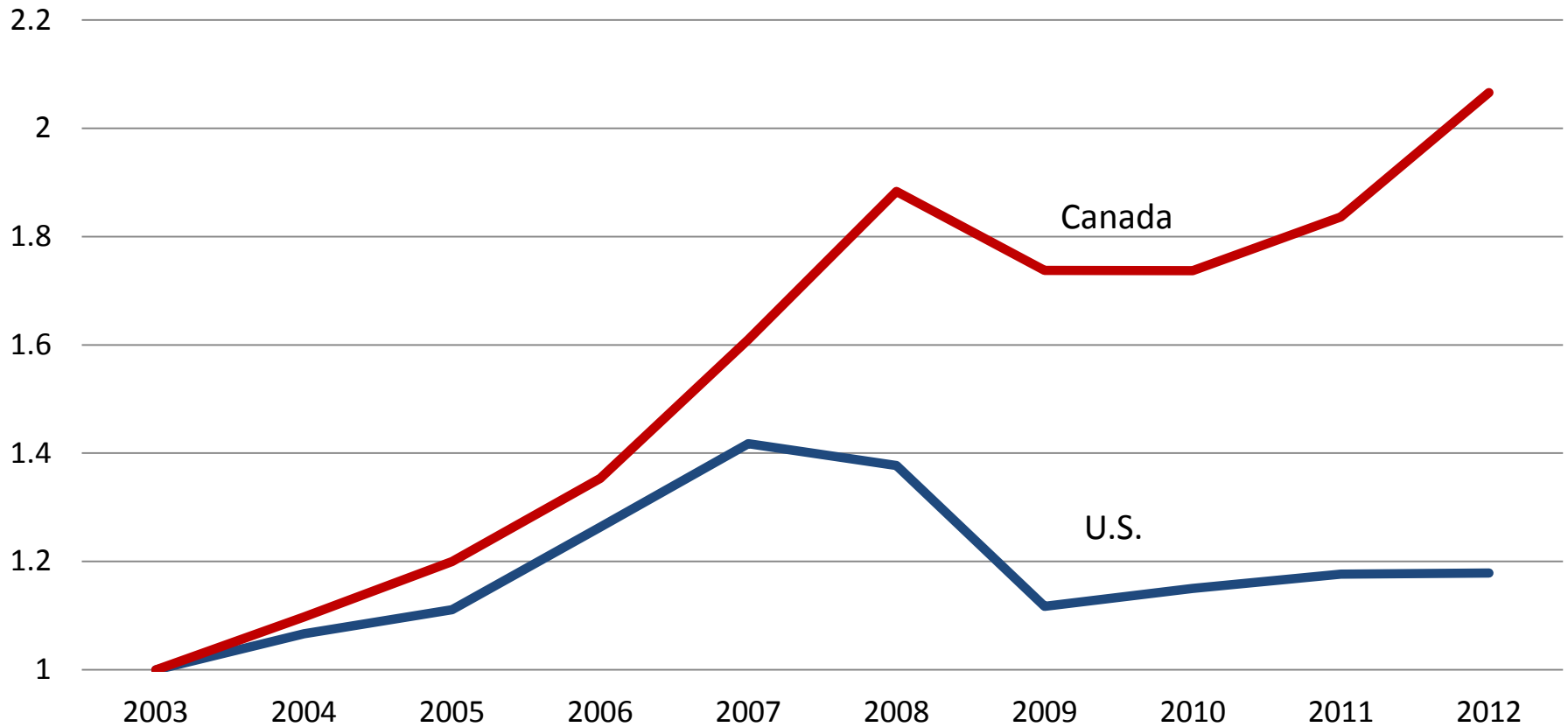
Permanent residents' destinations are more diverse



Source: Citizenship and Immigration Canada. Numbers for 2013 are preliminary.

Use of temporary worker visas has increased faster in Canada

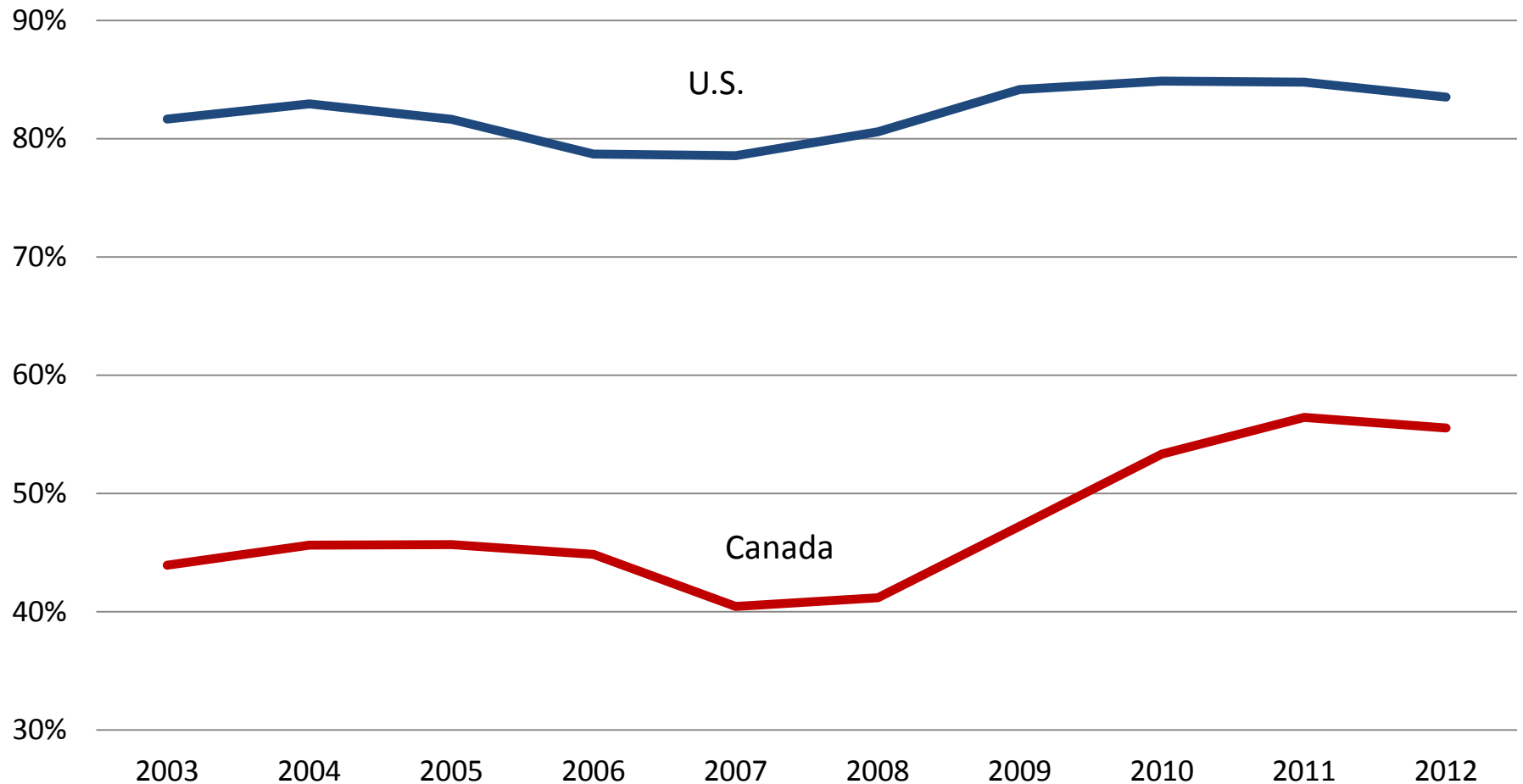
Relative to 2003 level



Source: U.S. State Department; Citizenship and Immigration Canada; does not include TN (NAFTA) visas or entries

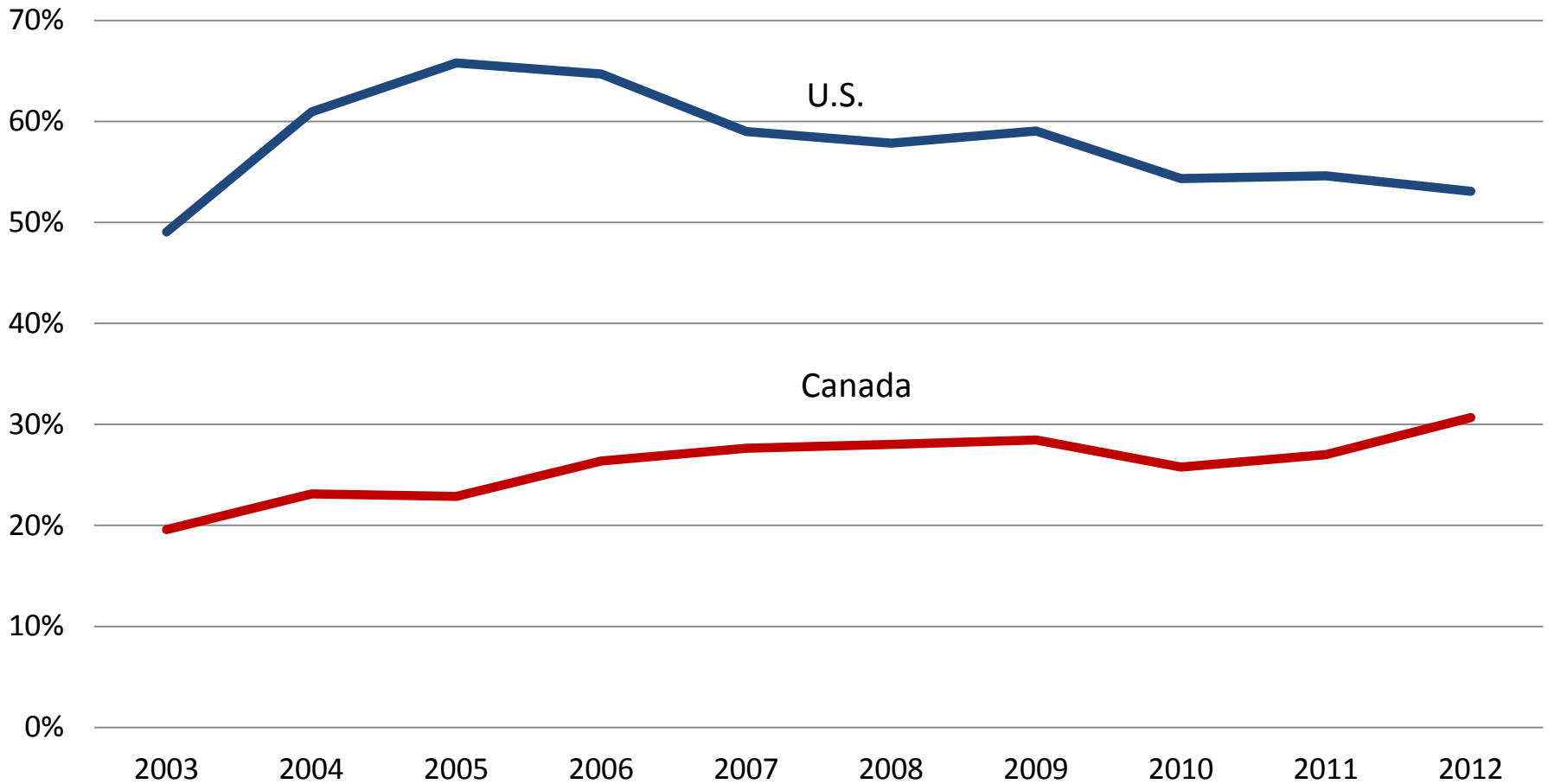
Skilled workers dominate temporary worker visas in U.S.

Skilled worker share of temporary visas



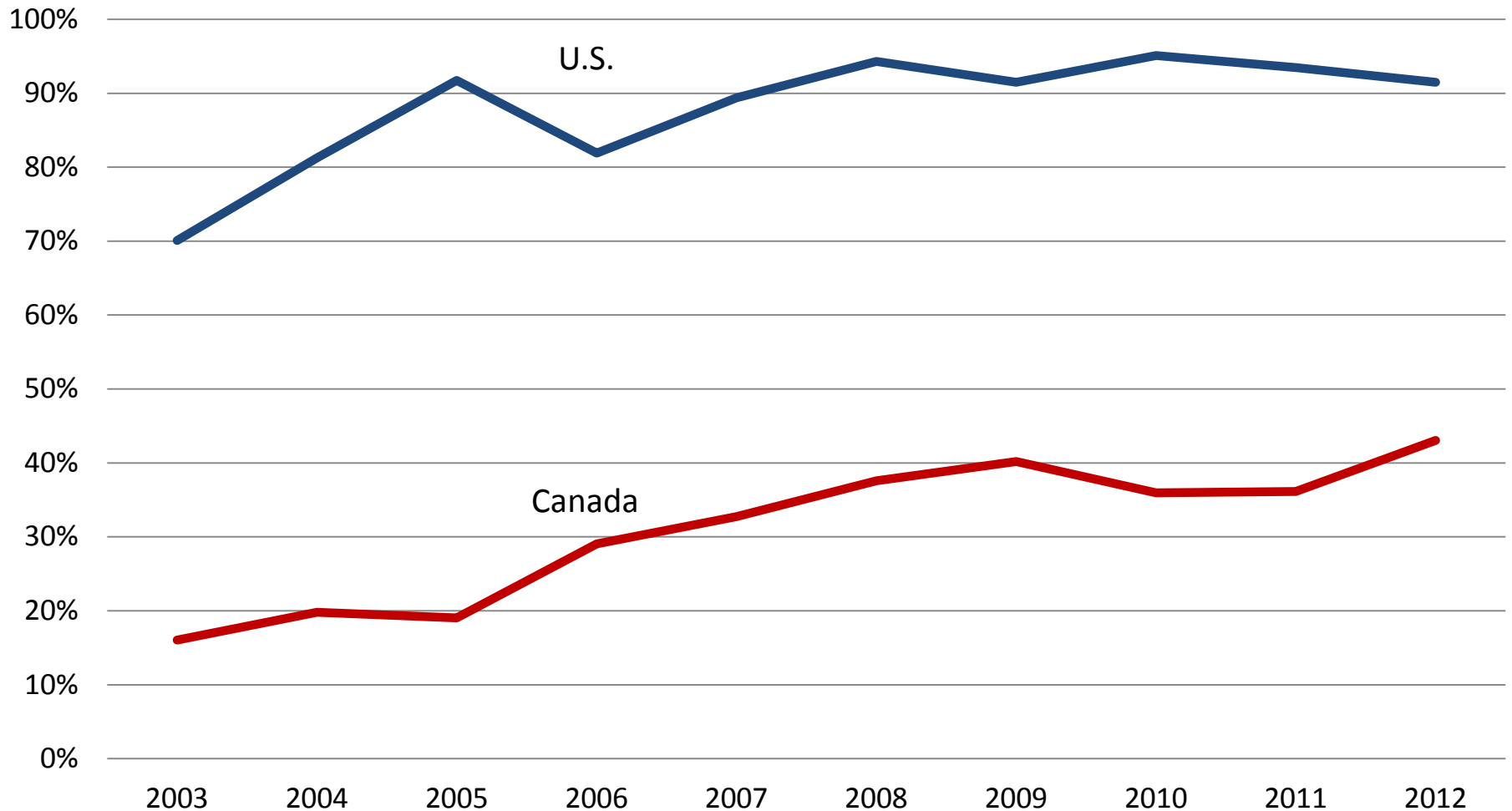
Source: U.S. State Department; Citizenship and Immigration Canada; does not include TN (NAFTA) visas or entries; H-2 visas considered low-skilled in US; LMO visas considered low-skilled in Canada

More permanent residents adjust from temporary visas in U.S.



Source: U.S. Department of Homeland Security; Citizenship and Immigration Canada

Share of employment-based principals adjusting from temporary visas has risen



Source: U.S. Department of Homeland Security; Citizenship and Immigration Canada

Early indicators are positive for new programs in Canada

- Provincial Nominee Program
 - Good within-province retention rates
 - Immigrants have high initial earnings & employment rates
- Canadian Experience Class
 - Targeted groups have high initial earnings & employment rates
 - Also high returns to education & experience

Canada's immigration system is more fluid, flexible

Canada

- Increased point system's emphasis on age, language ability, and job offers; reduced emphasis on education
- Shift in admissions from point system to Provincial Nominee Programs
- Created the Canadian Experience Class
- Created the Federal Skilled Trades Program
- Overhauled the temporary foreign worker program
- Eliminated federal immigrant investor & entrepreneur programs
- Launching the Express Entry system in 2015

Canada's immigration system is more fluid, flexible

Canada	U.S.
<ul style="list-style-type: none">• Increased point system's emphasis on age, language ability, and job offers; reduced emphasis on education	<ul style="list-style-type: none">• Relaxing work rules for spouses of H-1B visa holders if green card application in process
<ul style="list-style-type: none">• Shift in admissions from point system to Provincial Nominee Programs	<ul style="list-style-type: none">• Created Deferred Action for Childhood Arrivals (DACA) program
<ul style="list-style-type: none">• Created the Canadian Experience Class	
<ul style="list-style-type: none">• Created the Federal Skilled Trades Program	
<ul style="list-style-type: none">• Overhauled the temporary foreign worker program	
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<ul style="list-style-type: none">• Launching the Express Entry system in 2015	

Canada's temporary visa programs are more flexible

Canada	U.S.
<ul style="list-style-type: none">• Open permits for International Mobility Program workers; Temporary Foreign Worker Program workers tied to employer	<ul style="list-style-type: none">• Almost all temporary foreign workers tied to employer
<ul style="list-style-type: none">• Spouses of skilled workers can work for any employer; spouses of low-skilled workers subject to labor market testing	<ul style="list-style-type: none">• Few spouses allowed to work without own work visa
<ul style="list-style-type: none">• Few rigid quotas	<ul style="list-style-type: none">• Quotas for H-1Bs, H-2Bs exhausted every year for a decade
<ul style="list-style-type: none">• Dual intent allowed for almost all visas except seasonal agricultural workers	<ul style="list-style-type: none">• No dual intent for H-2A or H-2B; technically students cannot be dual intent
<ul style="list-style-type: none">• Students can work for up to 3 years after graduation	<ul style="list-style-type: none">• Students receive 12 months OPT after graduation; 29 months for STEM grads

Canada's labor market testing focuses on temporary, not permanent, immigrants

Canada	U.S.
<ul style="list-style-type: none">• Temporary foreign workers require Labor Market Impact Assessment (LMIA); International Mobility Programs do not<ul style="list-style-type: none">- LMIA includes prevailing wage and recruitment requirements; employers must attest that hiring temporary foreign workers will not result in outsourcing or offshoring	<ul style="list-style-type: none">• Labor Condition Application with employer attestation for H-1B visa<ul style="list-style-type: none">- Prevailing wage requirement- “Does not adversely affect wages and working conditions” of similar workers
<ul style="list-style-type: none">• Essentially no labor market testing for most economic class permanent residents<ul style="list-style-type: none">- Must meet work experience and occupation requirements- Federal Skilled Trades Program requires LMIA	<ul style="list-style-type: none">• Labor certification via PERM for EB-3 green cards<ul style="list-style-type: none">- Recruitment requirements to ensure no U.S. workers who are able, willing, qualified and available- Prevailing wage requirement- “Does not adversely affect wages and working conditions” of similar workers

Backlogs for permanent resident visas are shorter in Canada, but still long

Canada		U.S.	
China		China	
Skilled worker	21 months	EB-2	59 months
Provincial nominee	25 months	EB-3	70 months
India		India	
Skilled worker	22 months	EB-2	64 months
Provincial nominee	16 months	EB-3	130 months
Philippines		Philippines	
Skilled worker	20 months	EB-2	No backlog
Provincial nominee	12 months	EB-3	41 months
Mexico		Mexico	
Skilled worker	33 months	EB-2	No backlog
Provincial nominee	17 months	EB-3	41 months
Canadian Experience Class	13 months		

Lessons from Canada

- A point system may not be the answer
- Too early to know whether new programs go far enough
 - Early indicators on the Provincial Nominee Program are positive
 - Canadian Experience Class is growing
- Importance of policy responsiveness

Top origin countries of permanent residents overlap somewhat

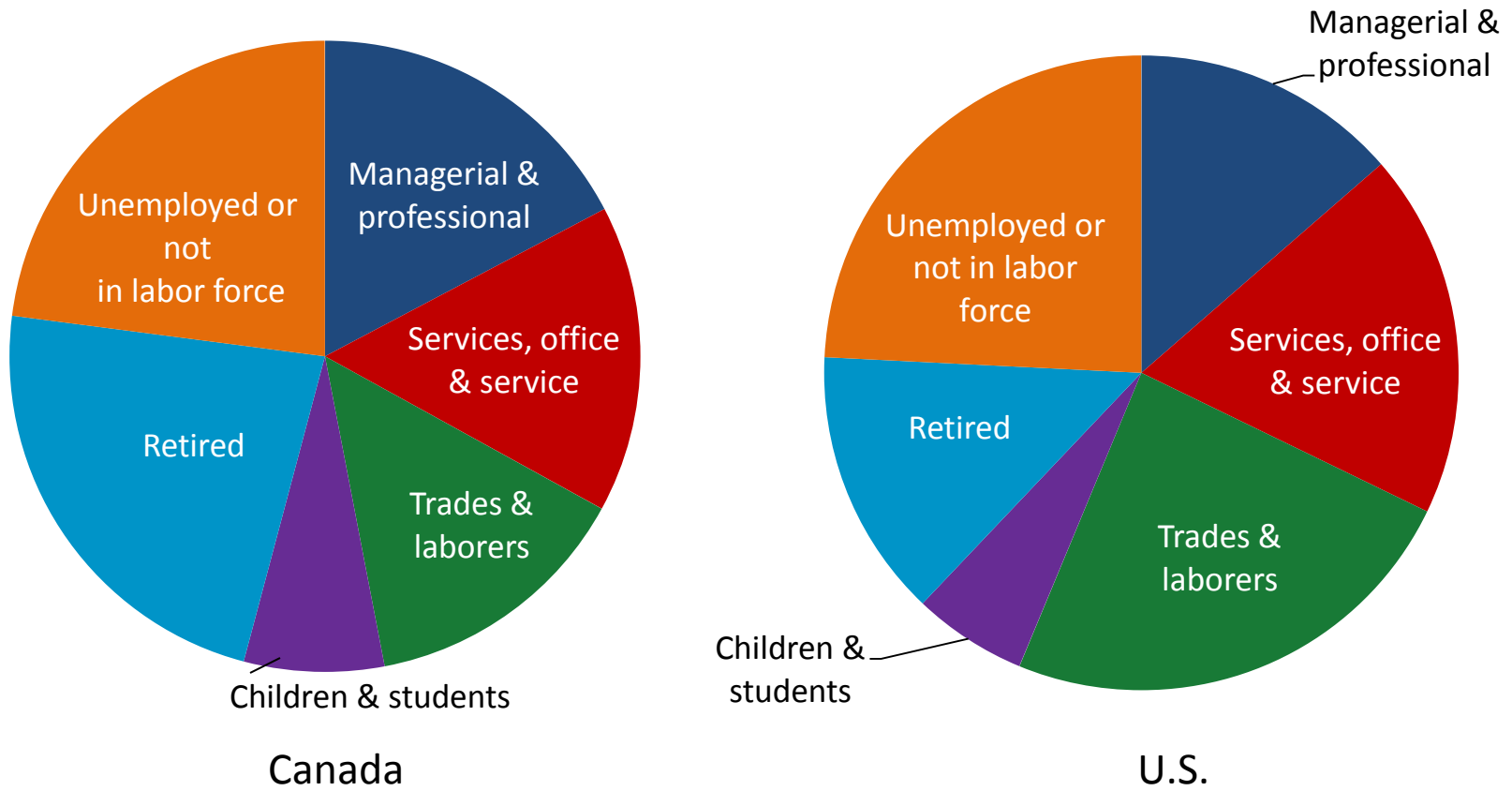
Canada		U.S.	
Philippines	12.1%	Mexico	14.6%
China	11.7%	China	7.1%
India	10.5%	India	6.1%
U.S.	3.8%	Philippines	5.3%
UK	3.2%	Dominican Republic	4.1%
Pakistan	2.7%	Cuba	3.6%
France	2.7%	Vietnam	2.9%
Iran	2.5%	Colombia	2.3%
South Korea	2.2%	South Korea	2.2%
Morocco	1.8%	Haiti	2.2%

Source: U.S. Department of Homeland Security; Citizenship and Immigration Canada; average over 2008-2012 for both

Top origin countries of all foreign born also overlap somewhat

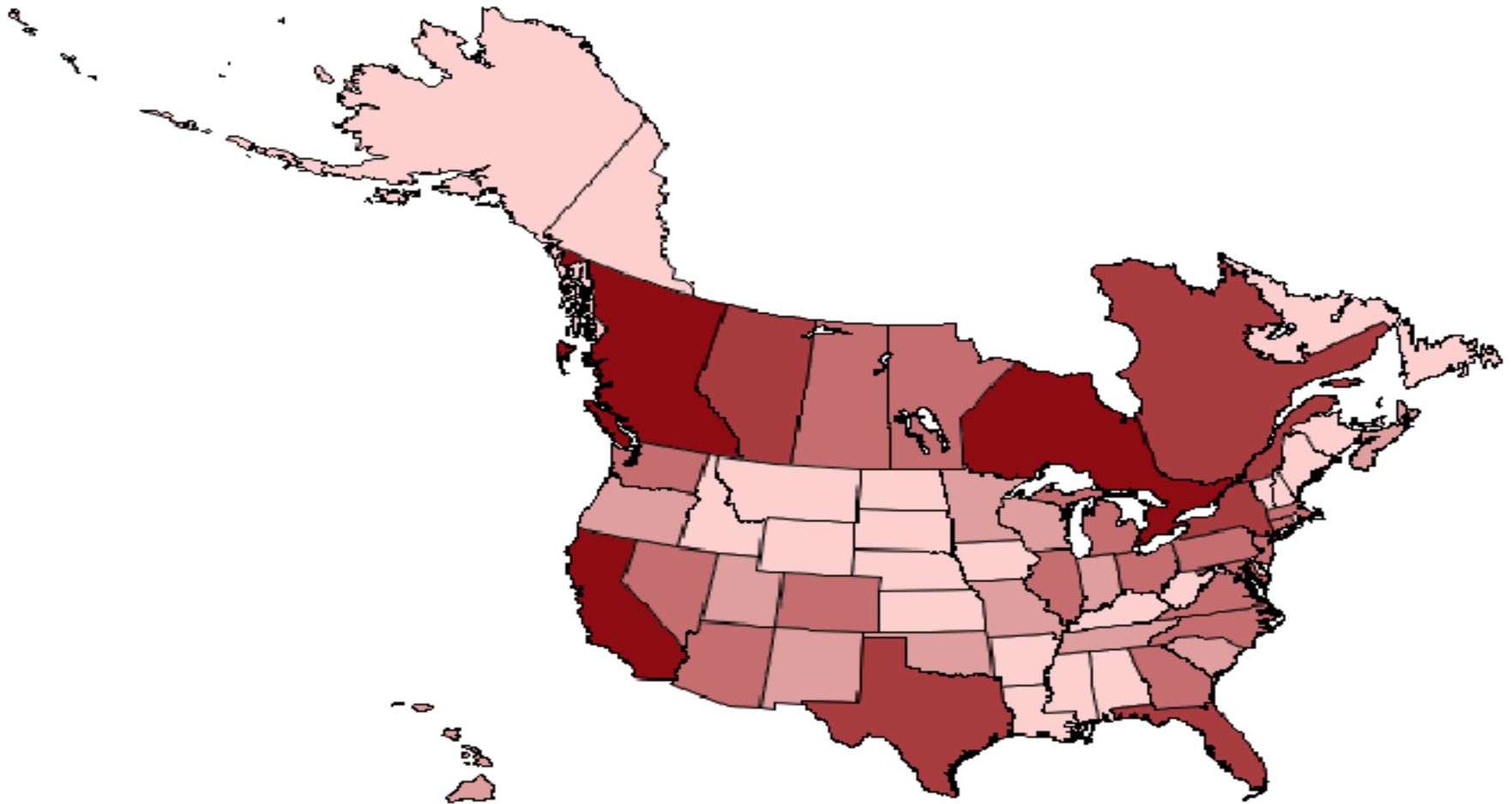
Canada		U.S.	
China	8.6%	Mexico	29.0%
India	8.2%	India	6.2%
UK	7.9%	China	5.6%

Foreign born as a whole slightly more likely to work in managerial & professional occupations in Canada



Source: Calculations based on 2011 American Community Survey (U.S.) and 2011 National Household Survey (Canada)

Foreign born are geographically concentrated in both countries



Share of Foreign Born Population in Each State or Province

