



POLICY BRIEF

No. 01, April 2021

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How Canada can address skills shortages by improving access to economic pathways for refugees and displaced people in Latin America

This policy brief identifies gaps in the accessibility of Canada's immigration programs for refugees and other displaced people, and opportunities to expand access to economic pathways as a solution to displacement in Latin America.

INTRODUCTION

Few immigration programs are accessible to refugees and displaced people.¹ Tens of millions of people displaced globally have to rely on either international resettlement or their own initiative to claim asylum in order to gain residence in countries like Canada where they can live permanently. They cannot yet access economic pathways on an equal basis with talented people worldwide, regardless of their skills or complementarity with labour market needs.

The gap between available immigration programs and the need for them is extreme for refugees in Latin America. They have virtually no chance of resettlement to Canada. Roughly 10% of the world's displaced people are living in the Americas and yet the region has accounted for less than 1% of Canada's resettlement space since 2016.

Canada's economic pathways could provide new routes to safety and permanence for refugees in Latin America, enabling them to fill chronic skills shortages across the economy including in lower-wage sectors. The majority of international workers in Canada's agricultural and food production sectors come from Latin America and the Caribbean, illustrating that refugees from the region likely represent a significant source of in-demand skills ([Falconer 2020](#)).

Canada has already piloted efforts to understand if refugees can immigrate as skilled workers under the [Economic Mobility Pathways Project](#) (EMPP), launched in 2018. Promising results led to an expansion of the pilot to 500 refugee principal applicants and their families arriving on economic pathways over two years, and the latest [mandate letter](#) to the Minister of Immigration, Refugees and Citizenship prioritizes expanding "pilot programming to welcome skilled refugees through economic immigration streams."

Now is an opportune time to scale these pathways for refugees globally and in Canada's own hemisphere. Refugees in Latin America can be part of Canada's vast skilled immigrant workforce if economic pathways are built to include them.

¹ The terms "refugees" and "displaced people" are used interchangeably in this brief to refer to people in need of international protection. We use these terms interchangeably given the significant administrative and practical barriers to refugee status determination in many third countries.

I. INTERRELATED POLICY PROBLEMS

1) Too few refugee resettlement spaces worldwide and in Canada

Less than 1% of the world's refugees are resettled annually, a meagre figure which decreased dramatically as a result of the Trump Administration's efforts to slash resettlement quotas and the onset of travel restrictions from the COVID-19 pandemic.

There are nearly 80 million people forcibly displaced worldwide, including a record 26 million refugees, 85% of whom are hosted in developing countries. International resettlement has not expanded to match the growth in displacement over the past decade, and fell to a low of 107,800 places in 2019 ([UNHCR 2020a](#)). In 2020, the number of host countries from which refugees departed decreased from 84 to 69, and the number of resettlement countries from 27 to 22 as a result of pandemic travel restrictions ([UNHCR 2021](#)).

A new administration in the United States has already announced its intention to increase resettlement levels, which will likely reverse the global downward trend but will still leave the percentage of refugees

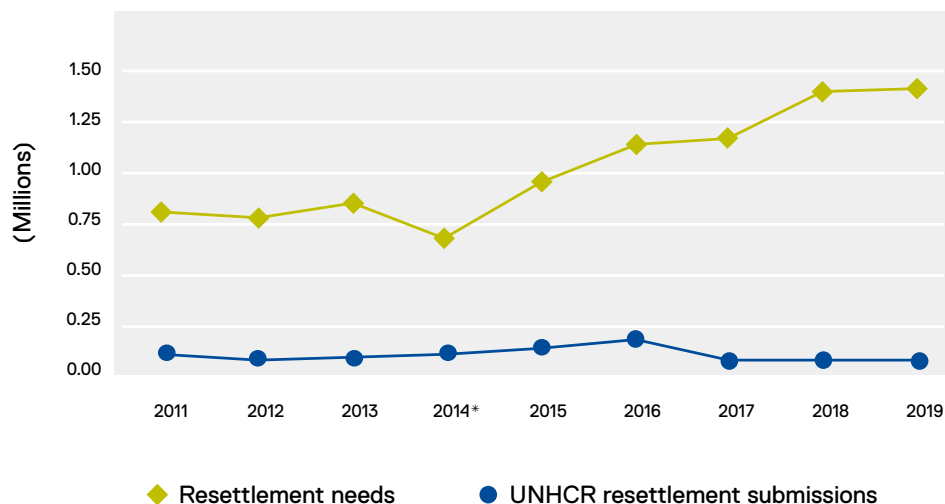
able to resettle in a given year well below 1% of the global population in need of a permanent solution to their displacement.

Resettlement is a critical part of Canada's humanitarian response to displacement, but the program is too limited in size and nearly exclusionary of refugees in certain parts of the world. While Canada increased resettlement levels in 2015 and 2016 in response to the Syrian refugee crisis, these increases were not maintained or extended to the world's second largest displacement crisis unfolding in Latin America.

2) Inadequate resettlement from Latin America

The relative few who are resettled to Canada do not adequately reflect global displacement dynamics. Since 2016, the majority resettled to Canada have originated in the Middle East and North Africa (93,270 or 60%), Sub-Saharan Africa (45,725 or 39%), and Asia Pacific (13,420 or 9%). Less than 1% (1,215) were resettled from Latin America, even though displacement crises from Venezuela and the Northern Triangle of Central America (NTCA – El Salvador, Guatemala, and Honduras) approach the number displaced internationally from the Syrian Civil War ([Smith 2020](#)).

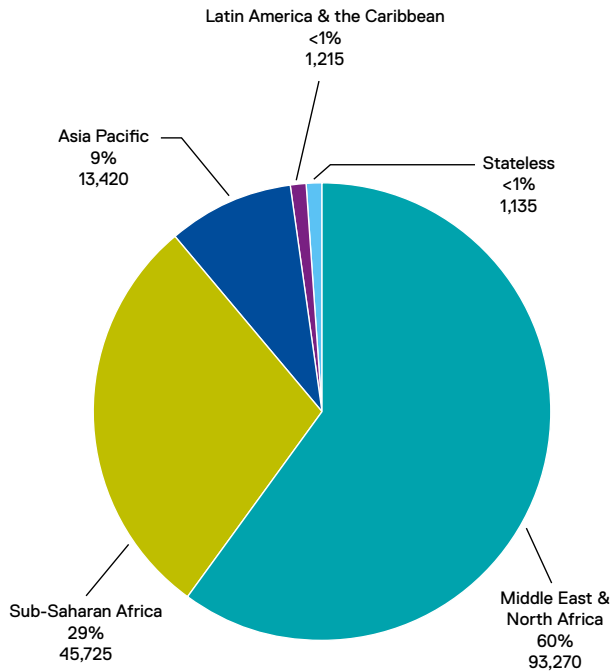
Gap between resettlement need and UNHCR resettlement case submissions



Source: UNHCR 2020

*2014 excludes resettlement needs of Syrian refugees due to evolving situation at time of estimates

Resettled refugees by region of origin 2016-2020



Source: IRCC 2020

By the end of 2020, UNHCR had registered 377,000 refugees from NTCA countries in neighbouring states and 1.4 million asylum seekers globally, 4.1 million people displaced from Venezuela, and over 6 million people of concern or in refugee-like situations in the whole of the region. Many live in poverty and are unable to work legally. Women and girls face significantly heightened risks to their health and safety.

This imbalance can be attributed in part to the rising share of private sponsorship within Canada's resettlement levels. Many Sponsorship Agreement Holders and sponsorship groups are part of a historical trend of chain migration, leveraging the program to support families and co-nationals of previously resettled refugees (Macklin et al. 2020). However, this does not explain the geographic imbalance in the selection of Government-Assisted Refugees, which typically reflects Canadian and UNHCR priorities.

3) Potential link between few mobility options and irregular migration and asylum

Data suggests that growing displacement crises in Latin America are resulting in more irregular migration and direct entry to Canada for people seeking

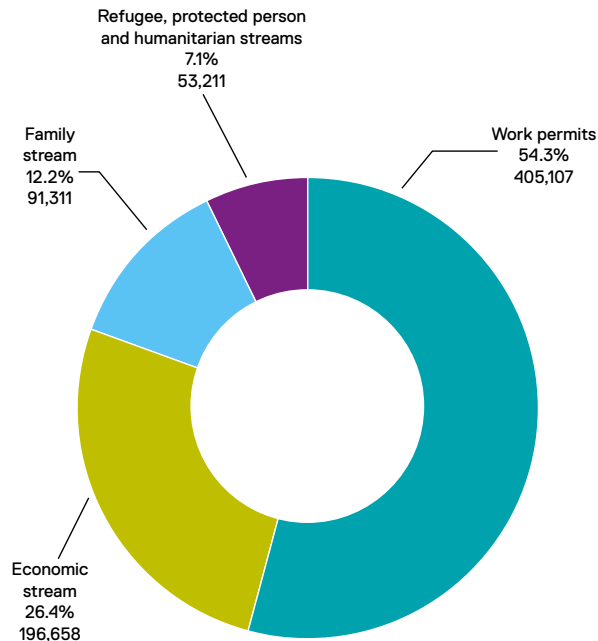
international protection (Smith, forthcoming). Refugee claimants from the region have more than tripled from 13,394 from 2013 to 2016, or an average of 15.8% of total claims annually, to 40,347 from 2017 to 2020, or an average of 25.1% annually.

4) Narrow access to Canada's economic pathways for refugees

Despite their wide range of skills and potential, refugees are not yet able to equitably access Canada's economic pathways because it was not designed to consider, attract, or accommodate applicants who are currently displaced. While no laws or regulations prohibit refugees from applying, in practice it is nearly impossible for them to be successful. Program requirements that may have nothing to do with human capital often exclude their participation (Lawrie, Wagner, & Wilson 2018). A good example is the requirement across economic pathways to hold a valid passport. Many refugees have expired passports with no safe or affordable way to renew them. Other barriers include the requirements to demonstrate ability to leave Canada through ties to another country, to have accessible funds that can reach \$19,836 for a family of three, and to have Canadian work experience.

This is a significant inequity and missed opportunity considering the scale of economic pathways. Canada's economic stream has the largest intake of immigrants annually. In 2021, Canada aims to welcome [232,500 permanent residents](#) under the economic stream, a number that has risen in recent decades and represents around 60% of all permanent residents to Canada. In addition, many thousands of workers arrive on temporary status each year. In 2019, Canada issued over [404,000 work permits](#) to workers through the Temporary Foreign Worker Program and International Mobility Program, many of whom go on to become permanent residents.

Share of permanent resident admissions across all streams and work permits (Temporary Foreign Worker Program & International Mobility Program) issued by Canada in 2019



Source: IRCC 2020

5) Pilot efforts not yet adequate to expand access to economic pathways

Canada's Economic Mobility Pathways Project (EMPP) is one mode by which Canada is meeting global commitments to expand solutions for refugees and reducing inequities in the economic stream. Launched in 2018 in partnership with UNHCR and the non-profits Talent Beyond Boundaries and RefugePoint, the ongoing pilot has relocated 29 people, including principal applicants and their family members. While innovative and impactful, the pilot has so far been limited in scope to addressing administrative barriers, such as valid passport requirements, and to extending these accommodations in permanent residence pathways, which overall court higher-wage candidates. The EMPP has not yet changed policies across permanent and temporary economic pathways that would see access by larger numbers and by refugees who could fill lower-wage but critical jobs, such as agricultural work or personal support work in populous

provinces². Finally, the pilot has focused on refugees living in Kenya, Jordan, and Lebanon – already major sources for Canada's resettlement programs. As with Canada's resettlement more broadly, the EMPP risks overlooking people displaced in Latin America, despite the significant need for international protection and potential alignment of talent with Canada's economy-wide skills shortages.

II. SKILLS AND SAFETY: WHAT DOES THE RESEARCH TELL US?

Providing new and safe routes across the Americas through economic pathways can help correct a market anomaly of nearby talent supply not yet linked to demand in Canada. There is strong potential for alignment of skills among displaced populations in Latin America and labour market gaps in Canada.

A 2019 [Tent Foundation skills profile](#) of displaced Venezuelans in Colombia and Peru found that the majority are young, and around half hold college-level education or experience in skilled trades or other technical work and could immediately fill labour market gaps in Canada or be retrained to do so. A survey by the Hebrew Immigrant Aid Society (HIAS) of displaced Venezuelans in Peru found similar dynamics (HIAS 2020). While comparable data is currently unavailable for displaced people from NTCA countries, regional labour market distribution and the composition of temporary foreign workers recruited to Canada suggests the possibility for a high degree of complementarity with lower-wage jobs currently filled through temporary economic pathways that in practice exclude displaced people.

Another imperative behind expanding solutions in Canada's own hemisphere is the potential to provide alternatives to irregular, unsafe and often perilous migration journeys. Admittedly, it remains largely speculative as to whether opening new mobility pathways can attenuate irregular migration at scale

² We consciously replace the terms "low and high skilled" with "low and high wage" given the reality that many low-wage jobs require a high degree of specialization and training – for instance in agricultural or personal support work. Though low-wage, these types of jobs are crucial for the Canadian economy and society.

([Triandafyllidou 2019](#)). However, it is well-documented that tighter mobility regimes and the narrow chances for international protection lead to more people making irregular journeys (Czaika and Hobolth 2016). The vanishingly small chance of international resettlement and increasing duration of displacement have led to large-scale “irregular secondary movement” as registered refugees join irregular migration routes to seek asylum (Zimmerman 2009).

The mix of migrants who are seeking asylum and those who are in search of economic betterment has led to a long-standing blur in legal and analytical distinctions, undermining public support for refugees and often leading to troubling, security-centric policy responses.

Expanding safe and legal channels would contribute to Canada’s commitments to the Global Compact on Refugees and Global Compact for Migration, and potentially provide a base of evidence for the relationship between alternative pathways and irregular migration.

A [unique survey](#) conducted by Talent Beyond Boundaries with 259 refugees in the Middle East found that engagement with international recruitment and economic immigration programming could reduce intentions to pursue irregular migration: 48% of respondents said they were less likely to consider irregular journeys after encountering economic mobility options. This important research has not yet been replicated with displaced people in Latin America.

III. RECOMMENDATIONS

Canada can address labour market needs and expand its commitment to regional responsibility-sharing by expanding access to economic pathways for refugees in Latin America (and beyond) through modest policy changes and new funding commitments. The following recommendations do not seek to carve out special space within the economic stream, rather, they would build more equitable and inclusive economic pathways that work for talented refugees - including those with skills in lower-wage jobs.

1) Modify the “ability to leave” requirement in temporary work permits to enable refugees to access this swift mode

of entry and with it, a broader range of jobs and economic pathways. ([Government of Canada](#))

Refugees must be able to access work permits in order to arrive on timelines that work for employers and to qualify for the permanent residence pathways which reward or require in-Canada experience and savings. Eligibility for an adapted work permit without ability and willingness to leave requirements could be conditional on a transition plan to permanent residence, and should be made alongside the creation of new permanent residence pathways that attract applicants with skills in lower-wage sectors. This change would remove one of the major obstacles to access by talented refugees, in particular by those in lower-wage occupations who can’t meet the more restrictive human capital and funds requirements in existing permanent residence pathways. In parallel, the government should ensure that refugees and their families entering on temporary work permits have access to healthcare, public education, and federal and provincial settlement services.

2) Modify education and language requirements in lower-wage permanent residence pathways to allow for federal and provincial discretion. ([Government of Canada, provinces and territories](#))

Pathways that attract applicants for lower-wage work ([National Occupational Classification](#) skill levels C and D) typically require completion of at least secondary school and basic to intermediate English or French, measured at Canadian Language Benchmark 4. These requirements may be in place to demonstrate literacy, adaptability through formal schooling, and appropriate language levels to meet health and safety requirements in the workplace. However, they can disproportionately exclude refugees who may have interrupted and incomplete schooling, and fewer resources or opportunities to upskill their language in displacement. Discretion at the federal and provincial levels would allow refugee applicants to demonstrate their literacy, adaptability and workplace-appropriate language in cases where they meet job requirements but fall short of existing pathway requirements. A broader review of the criteria of current economic programs from an equity lens should also be undertaken.

3) Create additional permanent residence pathways to fill lower-wage jobs at skill levels C and D in sectors and locations facing chronic skills shortages. (Government of Canada, provinces and territories)

The Agri-Food Pilot and the Rural and Northern Immigration Pilot provide strong blueprints in this direction, but still fall short in scope and scale ([Alboim and Cohl 2020](#)). Canada should consider new national pilots to fill chronic vacancies in lower-wage jobs in agriculture, healthcare, manufacturing, construction, and hospitality. Canada should also consider new regional pilots to cover any less populous areas without access to lower-wage immigration pathways. Providing more pathways to permanence would help signal that lower-wage work is by no means “low-skilled” or undervalued. These new pathways need not be exclusive to refugee applicants, but can be inclusive of them by integrating the modifications recommended above. Refugees who are skilled in lower-wage occupations may be living in greater poverty in displacement, and more temporary-to-permanent options for them can maximize the transformative impacts of this solution for refugees and for Canada’s own economy-wide prosperity.

4) Modify the settlement funds requirement in permanent residence pathways to allow the use of loans by charitable or other trusted providers. (Government of Canada)

The requirement for accessible and “unencumbered” funds can reach \$19,836 for a family of three and is prohibitive for many refugees who do not first arrive in Canada on work permits, where the requirement can be waived. It would be difficult if not impossible for many refugees with skills in lower-wage jobs to reach the current savings threshold while in displacement. Windmill Microlending is one charitable provider specialized in lending and financial literacy for newcomers that has piloted loans for refugees arriving on economic pathways. Enabling the use of settlement loans by charitable or other providers would help to remove a common financial barrier facing refugee applicants irrespective of their skills or potential. Enabling discretion by federal and provincial officials when examining available loan funds and to account for arranged employment would further reduce this barrier.

5) Provide funding to civil society and international organizations for programming in Latin America and accompanying research. (Government of Canada, UNHCR, International Organization for Migration)

Canada’s pilot efforts under the EMPP have relied on civil society groups to survey, recruit and relocate refugees living in the Middle East and East Africa. While these positive efforts continue, dedicated funding can help organizations in Canada and across Latin America develop the infrastructure needed to facilitate recruitment and relocation on economic pathways from this hemisphere’s displacement crises. Critically, funding and new partnerships with civil society and international organizations can support more robust data collection on skills of displaced people across the region, including from NTCA countries. Skills profile data would allow for comparison with Canada’s chronic labour shortages at the national, provincial, and local levels. Partnerships with academic institutions could allow for empirical research on interrelated issues such as the relationship between safe and legal mobility pathways and intentions for irregular migration.

IV. CONCLUSION

Opening Canada’s economic pathways to refugees as a solution to their displacement is fundamentally about equity, and is in Canada’s economic self-interest. Despite their skills and potential, refugees cannot access pathways that are available to other talented people worldwide, which unnecessarily limits the talent that Canada can attract. Modest policy change and funding that focuses on the displacement crises in Canada’s backyard can help level the playing field – benefiting critical sectors of the economy, transforming the lives of refugees and their families, and advancing Canada’s leadership globally and in the Americas. Doing so offers the opportunity to provide a triple-win solution for displaced people, host countries, and the Canadian economy.

The change in administration in the United States opens the door for a multilateral and hemispheric approach to Latin America’s displacement crises ([Selee 2018](#)). President Joe Biden’s [election platform](#)

called for a “regional meeting of leaders, including from El Salvador, Guatemala, Honduras, Mexico, and Canada, to address the factors driving migration and to propose a regional resettlement solution” in his first hundred days in office. Expanding economic pathways for displaced people would provide an immediate contribution. Canada’s many economic pathways and the lessons from the EMPP pilot offer firm ground for immediate deliverables that would fulfil a priority in the Immigration Minister’s mandate letter, without the need for legislative change.

Canada is already seeking a more robust regional leadership role. At the UN General Assembly in September 2020, Canada [signalled its interest](#) in holding the next presidency of the Support Platform of the Comprehensive Protection and Solutions Framework (known by the Spanish acronym MIRPS), which is the regional response of the Global Compact on Refugees to displacement from NTCA countries. In early February 2021, the Government of Colombia [regularized the status of 1.7 million Venezuelans](#) displaced in the country, mirroring the [regularization policies](#) of some other nearby host countries. Canada can show its commitment to responsibility-sharing in the region by pioneering open economic pathways to refugees, in a clear signal that the global talent pool includes millions of people displaced in the Americas.

Cover image: A family arrives in Toronto in 2019 under Canada's Economic Mobility Pathways Project

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