STRENGTHENING THE INTEGRITY OF CANADA’S INTERNATIONAL STUDENT PROGRAM

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Discussion paper overview

At the end of 2022, Canada was home to some 807,750 international students—quadruple the country’s international student population in 2008. While international students provide a host of economic, social, and cultural benefits to Canada, a March 2023 article in the Toronto Star highlights the difficulties Canada is facing in maintaining the integrity of its international student program. The article chronicles the plight of an estimated 700 international students from India facing deportation after the federal government discovered their college admission letters which initially formed the legal basis for their entry into Canada were actually forged by an unregulated immigration consultant in India. The gravity of this affair led to the federal government announcing in June 2023 the establishment of a taskforce to identify which students were genuine victims of fraud.

International students have recently been thrust into a national debate on housing supply and affordability. While some have blamed international students for driving up rents and reducing the availability of affordable housing for Canadians, it is important to recognize that international students are also the victims of limited and often unsuitable housing.

Canada faces complex international student program integrity challenges and there are no magic bullets to resolving them. As such, the purpose of this discussion paper is to contribute to a larger conversation on how we can continue to enrich Canada with international students while mitigating the challenges.

The discussion paper begins with a brief overview of Canada’s international student program, including its goals and benefits. A lengthier discussion ensues on international student program integrity challenges. We conclude with suggestions on how we can consider resolving the challenges.

Who are Canada’s international students?

The top ten source countries of Canada’s international students are: 1) India; 2) China; 3) The Philippines; 4) France; 5) Nigeria; 6) Iran; 7) South Korea; 8) Vietnam; 9) Mexico; 10) The United States.

Some 51% of international students settle in Ontario, followed by BC (20%), Quebec (12%), Alberta (5%), the Atlantic provinces combined (5%), Manitoba (3%), and Saskatchewan (3%).

In the 2019/20 academic year, 61% of international students enrolled in Canadian post-secondary institutions studied at universities, while 39% studied at colleges. During the 2020/21 academic year, the top five disciplines of study among international students enrolled at universities were: 1) Business and administration; 2) Engineering; 3) Social and behavioural sciences; 4) Mathematics, computer, and information sciences; 5) Science. Among their counterparts enrolled in colleges in the same academic year, the top
five disciplines of study were: 1) Business and administration; 2) Mathematics, computer, and information sciences; 3) Engineering; 4) Trades; 5) Arts and humanities.

The benefits of Canada’s international student program

Domestic efforts to grow Canada’s international student population can be traced back over a decade ago. The federal Economic Action Plan 2011 included funding for an International Education Strategy and called for the establishment of an advisory panel reporting to the federal International Trade Minister and Finance Minister with recommendations to help develop the strategy. The ensuing International Education Strategy, released in January 2014 and in effect until an updated strategy was unveiled in 2019, made a largely economic case for welcoming more international students, predominantly on the grounds it would make Canada more globally competitive.

One of the key objectives of the strategy was to double Canada’s international student base from 239,131 in 2011 to over 450,000 in 2022. The strategy, in conjunction with other global and domestic factors, enabled Canada to achieve this goal by 2017 and as mentioned, far exceed it by 2022. This growth is largely attributed to the rise in global living standards which now enable millions of individuals to be able to afford to study abroad. Prior to the pandemic, the global international student population of 5 million people spent an estimated $200 billion USD annually, figures which are forecast to rise to 8 million international students and $433 billion USD by 2030. Domestically, the rapid growth is largely a function of international students paying significantly higher tuition than Canadian students, resulting in post-secondary institutions relying on them to offset stagnant government funding. International students also cite Canada’s reputation as a diverse and safe nation and opportunities for permanent residence as other leading reasons why they choose to come here.

In order to have a balanced discussion on Canada’s international student program, one must evaluate both the benefits and costs of the program. Before evaluating the costs, we shall briefly summarize the economic, social, and cultural benefits of the program.

Economic benefits

International students inject significant financial and human capital into Canada’s economy. A study commissioned by Global Affairs Canada estimates international students contributed over $22 billion to our economy and supported over 218,000 jobs in 2018.

International students are also a major source of short- and long-term labour in Canada. Those who enroll in an eligible educational program are able to work part-time during their studies and full-time during scheduled breaks such as the summer and winter holidays. International students with paid employment in Canada grew ten-fold from 21,800 in 2000 to 277,400 in 2018.
After they complete their studies, eligible students are able to apply for a Post-Graduation Work Permit (PGWP), which enables them to work full-time and for any employer of their choice for a maximum of three years (the duration of the PGWP depends on the length of one’s studies). The PGWP allows international students to gain additional Canadian work experience which makes them more competitive candidates when applying for Canadian permanent residence status.

Federal and provincial economic class immigration programs reward those with Canadian study and work experience, due in large part to Canadian government research showing such experience supports the labour market integration of new permanent residents. In 2022, some 95,000 international students transitioned to permanent residence (PR). In 2015, this figure stood at just 19,000 international students transitioning to PR. IRCC reports the share of new economic class principal applicant immigrants with Canadian study experience has increased from 6% in 2000 to 38% in 2019.

Social and cultural benefits

In its 2022 Annual Report to Parliament, Immigration, Refugees and Citizenship Canada (IRCC) notes “international students bring benefits such as new cultures, ideas, and competencies to Canada’s landscape while enriching the academic experience of domestic students.” Other social and cultural benefits highlighted by the Canadian government include strengthening people-to-people ties, cross-cultural competencies, Francophone communities, Canada’s reputation and values abroad, as well as importing new ideas in our classrooms and society.

The challenges of Canada’s international student program

It is also important to acknowledge there have been costs associated with Canada’s international student growth. A cursory media scan shows the country’s largest press outlets have reported on a myriad of international student challenges in recent times. These include TV and print stories by the likes of the Globe and Mail, National Post, CBC, TVO, Toronto Star, Maclean’s, the Walrus, and more. Culpability for the challenges is shared among federal, provincial, and territorial governments, education consultants, international students, landlords, employers, and Canadian designated learning institutions (DLIs). DLIs are the colleges, universities, and other educational institutions approved by provincial and territorial governments to host international students. Since education falls under their jurisdiction, only the provinces and territories are able to grant or revoke DLI status. International students seeking post-secondary studies must ensure they receive a Letter of Admission (LOA) by a DLI as a condition of applying to IRCC for a study permit. IRCC lists all of Canada’s DLIs on its website.

The challenges are summarized below.
**Tuition**

International students are not only subject to higher tuition than their Canadian counterparts, but also unpredictable tuition hikes from one year to another. Ontario, for example, has frozen tuition for domestic in-province students for three consecutive years, which the CEO of Colleges Ontario called “unsustainable.”xx A 2021 report from the Office of the Auditor General of Ontario found direct provincial funding per full-time domestic public college student was the lowest in Canada in 2018/2019.xxii To compensate, colleges and universities pass on the costs to international students. In Ontario, international students can see tuition hikes as large as 20% in a year (the maximum allowable by the provincial government).xxii International students account for 68% of tuition revenue in Ontario.xxiii

The gap in tuition between international and Canadian students continues to widen. Since 2006, the gap among undergraduates has risen from double to five times as of 2022.xxiv The gap among graduate students has grown from double in 2006 to triple in 2022.xxv

Statistics Canada explains the rise in international student revenue for DLIs comes at a time when Canadian student tuition increases are not keeping up with inflation and provincial/territorial funding as a share of DLI revenue is declining.xxvi They note when assessing constant dollars to adjust for inflation, average tuition has decreased for Canadian students from 2018/2019 to 2022/2023. They add, the proportion of tuition revenues among universities has increased from 21.5% in 2010/2011 to 28.8% in 2020/2021, while provincial funding declined from 41.5% to 32.5%. Nationally, government funding for post-secondary institutions has not increased in nearly 15 years, while international student tuition has accounted for 100% of net new income over the past 10 years.xxvii

Intrinsically, higher tuition for international students is not a problem. When compared globally, Canada offers an attractive value proposition to international students. That is, tuition that is often lower than what is charged in competitor nations, and the ability to work during and after one’s studies, as well as the opportunity to transition to permanent residence.

What is a problem, however, is the inability of Canadian DLIs to cover their operational expenses without being so heavily reliant on international students. This over-reliance creates a conflict of interest which negatively impacts not only international students, but potentially Canadian students as well. DLIs are incentivized to maximize international student enrollments, with little incentive to ensure international and Canadian students are provided with the best experience possible.

This is already acknowledged by the DLIs, with the CEO of the Council of Ontario Universities noting the revenue pressures further erodes the sector’s ability to support students. Another major consideration is the risk this over-reliance poses to the sector in general. A decline in Canada’s international student population could seriously jeopardize the country’s ability to deliver quality post-secondary education. DLIs are responsible for setting admissions criteria for international students, but their desire to recruit as many as possible often results in low
admissions standards. DLIs then discover certain international students are not academically proficient enough to keep up with their programs in Canada. For example, in 2018, a DLI asked over 400 of their international students, who were struggling in their programs, to retake their English language tests to confirm they were up to standard. These stories are not only concerning because they suggest international students who are not well-positioned to succeed in Canada’s economy and society are being admitted into the country, but also due to the probability these instances also undermine the quality of education DLIs are able to provide to Canadian students.

The Ontario Auditor General report also highlighted the increasing prevalence of public-private career college partnership as an additional revenue-generating measure which has come at the expense of quality assurance. The report notes that the partnerships enable public colleges located in smaller communities in Ontario to team up with private career colleges located in larger ones to offer international students the opportunity to live in larger cities and be eligible for the coveted PGWPs they otherwise would not be eligible to obtain if they enrolled directly at a private career college. Despite the rapid international student enrollment growth in recent years, the Auditor General concluded the Ontario government’s oversight of these public-private college partnerships to be ineffective, highlighting certain public colleges exceeding enrollment limits and lack of compliance and quality assurance audits by the province.

**Education agents**

Education agents (also referred to as “education consultants” or simply “agents” or “consultants”) are popular among international students and Canadian DLIs. For international students, they are able to speak to a local in their native language, who can help them prepare for their English language test, obtain an LOA from a DLI, and submit their study permit application to IRCC, either completely free of charge or for a nominal fee (typically no more than $500 CAD in India, for example). Even if an international student does not need an agent to assist them, they may be pressured by their parents to retain one, since the parents are the decisionmakers who are funding the studies abroad. Parents in certain markets take comfort in being able to rely on a local agent who has the expertise necessary to successfully complete a complicated process. The reason agents can offer this full suite of services for free or a nominal fee is they are paid a commission by Canadian DLIs for securing the international student and their lucrative tuition.

The commission is typically 15%-20% of the international student’s first year of tuition. Some influential agents are able to negotiate commissions as high as 30% if they are a major source of enrollments for a DLI and have proven themselves dependable over the years. This works out to average commissions of $1,500 CAD to $7,500 CAD per student (with the midpoint of these figures being a more realistic representation of what agents tend to earn per student).
This benefits Canadian DLIs since they only pay out of pocket at the point of a successful transaction. Commissions are fully paid out after an international student has come to Canada and paid their first year’s tuition in full. The benefit for Canadian DLIs is this approach keeps their marketing and recruitment expenditures under control since they are only paying at the time of the “sale.” This is a handsome arrangement that any vendor with marketing expenses would happily accept.

Another major reason why DLIs rely on agents is that in the absence of paying a commission, they risk the prospects of attracting significantly fewer international students. Due to their profit motive, agents will refer international students to the DLIs who pay them a commission, and often times, the highest commissions. This means the fate of international students often rests in the hands of the agent, who will provide recommendations based on their own bottom line.

The prevalence of agents, however, poses significant ethical dilemmas. In the spring of 2023, Global Affairs Canada issued a call for feedback to shape their forthcoming International Education Strategy. This entailed releasing a series of discussion papers, including on how to better regulate the conduct of education agents.

Among the negative consequences of agent involvement is they may refer international students to programs that are ineligible for a PGWP, thereby denying international students the ability to work in Canada and immigrate following graduation. PGWPs are highly coveted among international students since they enable them to enhance their income, work experience, and odds of becoming a Canadian permanent resident after their studies. While DLIs are eligible to host international students, not all programs they offer make international students eligible for a PGWP. Programs offered by public institutions must meet certain requirements for international students to be eligible for a PGWP, while programs solely offered by private institutions are ineligible for PGWPs altogether. International students who rely on agents are often not aware of such intricacies and discover the bad news when it is too late.

A March 2023 CBC article shed light of this matter in British Columbia. An Indian student had hoped to study at a public DLI but was told by an agent she was ineligible, and encouraged her to enroll at a private college in Vancouver instead. The student states she was promised by the private college she would be able to transfer to a public one after completing two semesters, but upon contacting the public institution, learned that a transfer would not be possible. The student sought to withdraw from the private college, but faced delays including troubles obtaining a refund and eventually resorted to working under the table since she was no longer enrolled as a student.

It is also common for agents to have similar commission agreements with colleges and universities in additional countries, such as Australia, the United Kingdom, and the United States. Consequently, even if Canadian governments were to outlaw the practice of DLIs
paying commissions to agents, agents would simply refer international students to competitor nations.

Another integrity challenge is agents falsify documentation, such as education credentials, grades, and language tests, to get international students into Canada. They also commonly lie to international students, such as by stating an education pathway will lead to permanent residence, as well as other matters such as available housing and job prospects in Canada. To mitigate this challenge, DLIs sign contracts with consultants that meet their standards. Canadian DLIs also rely on third party “aggregators” to screen agents. These companies vet education consultants and subject them to the likes of background checks and contractual obligations as a means to be able to refer international students to Canadian DLIs in exchange for a commission. It is also beneficial for DLIs to work with these intermediaries because it allows DLIs to distance themselves from complicity when agents behave in an unscrupulous manner.

The outsized role agents play in the industry has led to the prevalence of underground agents, commonly referred to as “ghost consultants” who prey on the ignorance of international students. Ghost consultants earn the trust of international students by portraying themselves as licensed immigration consultants. They charge fees to international students while providing dubious services to them, forging documents, or not providing any services altogether. Under Section 91 (2) of the Immigration and Refugee Protection Act, only lawyers and other members (e.g., paralegals) in good standing of a law society, and those in good standing of the College and Immigration and Citizenship Consultants are authorized to represent an immigration applicant.

Being deceived by a ghost consultant can have devastating consequences, as shown in the Toronto Star story noted in the outset of this discussion paper. One of the students affected has been in Canada for five years, completed her studies in Canada and obtained a PGWP, but only learned her LOA was forged years later after she applied for permanent residence. Another major consequence is fraud or negligence by agents can result in international students being prevented from submitting new immigration applications to IRCC for five years due to misrepresentation. Culpability for this affair also lies with IRCC itself, which failed to recognize the some 700 LOAs were forged at the time the international students initially applied for their study permits.

The reality is agents are so entrenched in the global international student marketplace that Canada’s international student program must continue to depend on them. Despite the integrity challenges agents pose, Canada’s international student program benefits significantly from the presence of agents since they are the drivers of an industry that contributes tens of billions to the economy each year. At the same time, the reliance on agents creates a major conflict of interest, since agents and DLIs are not necessarily acting with the best interests in mind of international students themselves. There is little incentive and no oversight by Canadian governments to ensure both agents and DLIs place
international students at DLIs most suitable for each student’s educational, career, and immigration objectives.

**Private colleges**

As noted above, international students are being lured to private colleges despite a host of notable challenges. These include empty promises by agents and the colleges themselves about promising career prospects in Canada upon graduating from the colleges, lies from agents about PGWP and immigration eligibility, and even misleading information from the colleges themselves about matters such as the ability to transfer to public colleges and the requirement to pay tuition in full even if students decide to withdraw from the private colleges. International students report poor in-class instruction and the inability to find work commensurate with their skills upon graduation, despite spending tens of thousands of dollars on tuition and living costs.

In the absence of PGWP ineligibility, graduates of private colleges must seek employer sponsorship to be able to work in Canada legally after their studies, which is difficult to obtain due to the requirement that employers demonstrate there are no Canadians available to do the job. In addition to being misled by agents about the benefits of enrolling at private colleges, international students indicate being misled by the colleges themselves. International students reported being told by a Toronto private college’s international student adviser that they would be eligible for a PGWP upon graduation, only to find out after the fact they were not.

While private colleges are subject to provincial and territorial oversight, including receiving DLI status from provincial and territorial governments, they still face less scrutiny since they do not receive public funding and operate as private businesses. This means there is little oversight on class sizes, quality of education, and the financial health of the institutions. A January 2023 Maclean’s article, for instance, sheds light on international students who were enrolled at Quebec-based private colleges that abruptly closed in January 2022 and filed for creditor protection. In June 2023, the CBC reported that a Quebec judge dismissed a lawsuit attempt by the students seeking to recover $17 million in damages, including the tuition they lost due to the colleges shutting down.

It is important to stress that international student integrity challenges also occur at public institutions. However, one may argue the challenges at private institutions can have more devastating consequences for international students as highlighted in the aforementioned examples.

**Sexual abuse**

Sexual abuse is another common challenge international students face. A survey by McGill University found nearly 39% of international students experienced sexual harassment and almost 24% experienced sexual assault. Reports indicate female international students avoid reporting sexual abuse to authorities for fear it may impact their Canadian immigration
status. Similarly, there are reports female international students are subject to sexual abuse by landlords, which they also fear taking up with authorities. Another factor is international students may be ashamed to report being victims of sexual abuse, due to, for instance, cultural norms. Some international students originate from countries where sexual abuse against women is normalized. Another factor is international students may not understand Canadian law also protects them, and not just Canadian citizens and permanent residents.

**Housing**

A June 2023 Statistics Canada report notes 40% of study permit holders live in unsuitable accommodation compared to 9% of the rest of Canada’s population. In April 2023, two York University professors summarized the litany of housing challenges issues that international students experience. These include discriminatory rental listings and treatment by landlords, including verbal sexual abuse, requests for exorbitant upfront deposits, unsafe accommodations, overcrowding, and a lack of suitable accommodation altogether. Stories abound of international students being forcefully and illegally removed from their accommodations.

Compounding these issues is the limited availability of affordable housing for international students and Canadians alike. Housing supply and affordability are a decades-old problem that cannot be solved by putting the burden principally on international students. While a reduction in international student numbers will reduce aggregate housing demand, any beneficial effects for Canadians will depend on the geographic distribution of the displaced students, the type of accommodation that is “released” into the market, and the tenancy preferences of Canadians. At the same time, a sharp reduction in international student numbers will add to the financial challenges of post-secondary institutions, which will impede their ability to build student housing and could lead to broader community impacts due to cutbacks.

A recent CBC article pointed out “In the early to mid-1990s, back-to-back federal governments of different political stripes...began pulling back from the business of affordable housing. Ottawa reduced spending on housing, cut the federal co-operative housing program (one that saw the construction of nearly 60,000 homes) and eventually pulled the plug on building any new affordable housing units altogether.” With record numbers of international students coming into Canada, all levels of government must place greater emphasis on increasing the supply of affordable housing.

**Employment**

Full-time international students are eligible to work up to 20 hours per week off-campus while class is in session and full-time during scheduled breaks. This policy is meant to help international students have an additional means to support themselves financially while also keeping them focused on their studies. In reality, however, international students work under the table so they can exceed the 20-hour limit. Some forego their studies altogether to work
full-time upon entry to Canada, using a study permit application as a decoy for their primary objective.

At the same time, the Canadian labour market is dependent on international students, a reality which was highlighted above in Statistics Canada research and was recently underscored by a major IRCC policy change announced in October 2022. To help alleviate Canada’s labour shortages, IRCC announced it was lifting the off-campus work rules for eligible international students between November 2022 and the end of 2023.\textsuperscript{lviii} As earnest as IRCC’s intentions may be, this policy runs the risk of further undermining the international student program given the probability that some international students will use this as an opportunity to relegate their studies to an afterthought.

Employers themselves also play a role in undermining the integrity of the international student program. Press reports commonly highlight international students being paid below minimum wage or not being paid at all.\textsuperscript{lvii} International students also report being subjected to sexual abuse by employers. A May 2023 report flagged wages not being paid, being sent home at the start of a shift due to a lack of work, being overworked and underpaid, and not being allowed to take breaks or days off for sickness as common challenges faced by a cohort of international students in the Greater Toronto Area’s Peel region.\textsuperscript{lviii} These issues are similar to those outlined in an April 2022 Toronto Star report that highlighted the case of international students being overworked to the point of exhaustion while being paid below minimum wage.\textsuperscript{lix}

\textit{TR to PR pathways}

Research suggests the majority of international students are motivated to gain Canadian permanent residence after their studies. In its 2021 survey, the Canadian Bureau for International Education (CBIE) reported that nearly 73\% of international students planned to apply for a PGWP after graduation.\textsuperscript{lx} In addition, 59\% of respondents intend to apply for permanent residence, while approximately one-third of respondents remained undecided.\textsuperscript{lx} The desire for international students to remain in Canada is a positive phenomenon on the one hand, as it highlights the strength of Canada’s brand as a nation, and international students are a strong source of new permanent residents. However, the desire among them to remain in Canada permanently also creates an array of policy and integrity challenges.

On the policy front, the Canadian government issues far more study permits than there are available permanent resident spots. Statistics Canada research has found among international students who arrived to Canada in the 2000s, just 30\% became permanent residents within 10 years of their arrivals.\textsuperscript{lxii} It a common argument that the federal government itself is also responsible for perpetuating an inflated sense of hope among international students motivated to gain permanent residence.\textsuperscript{lxiii} While the Canadian government is being honest in highlighting the immigration advantages of studying in Canada, it can perhaps do more to be forthright about the highly competitive nature of the permanent residence application process. This challenge is exacerbated by agents and DLIs, who also
promote the prospects of becoming a Canadian permanent resident as a means to augment their revenues.

The federal government’s messaging on international students runs in stark contrast to other newcomer segments. For instance, for over a decade, the federal government has frozen applications and held lotteries for the Parents and Grandparents Program (PGP), due to it openly acknowledging demand among Canadians to sponsor their parents and grandparents far exceeds the number of spots supplied by the Canadian government. One would be hard-pressed to find similar messaging for international students.

**Suggestions to help strengthen international student program integrity**

The following is a list of suggestions that could be considered to help strengthen the integrity of Canada’s international student program. The most important suggestion is listed first, but the remaining suggestions are not listed in order of priority.

**Federal, provincial, and territorial areas of action:**

1) **Conduct a national review of the financial sustainability of DLIs**

The main reason DLIs are aggressively recruiting international students is to compensate for stagnant provincial/territorial education funding. As already discussed, this creates a host of integrity issues across the international student program.

Hence, the number one way to address the integrity of the program is to promote a national dialogue to ensure the Canadian post-secondary sector is able to financially sustain itself moving forward. While international student tuition has proven to be a stopgap measure, the reliance on it leaves the post-secondary sector extremely vulnerable. Shifts in global international student trends could eventually see enrollments in Canada fall. Moreover, diplomatic disputes between Canada and top international student source countries could also leave Canada compromised. Take for example the diplomatic dispute between Saudi Arabia and Canada in 2018. While the impact of this particular dispute was ultimately minimal, a dispute with India or China, for instance, could prove devastating for Canadian DLIs.

2) **Introduce greater oversight on DLIs including private colleges to promote a better international student experience**

Once DLIs recruit international students, they do not have much incentive to support a positive on- and off-campus experience. One may argue word spreading among international students of their negative experiences at a particular DLI may damage the DLI’s reputation, but news reports strongly suggest the financial incentive for DLIs outweighs the potential risk of reputational harm. Moreover, greater oversight is required over private colleges to address these issues and also to ensure they provide quality education.
The two levels of government can resolve this matter by requiring that DLIs meet stricter criteria if they wish to continue to welcome international students. The stricter criteria could entail detailed plans by the DLIs on the likes of how they will:

a) Assist international students in finding housing
b) Educate international students about their legal rights in Canada on matters such as housing, employment, and criminal law (e.g., as a means to protect students from sexual abuse)
c) Help them find part- and full-time employment
d) Address mental health and other settlement supports that international students need
e) Perform regular audits of private colleges to ensure they are not providing misleading information to international students, are financially sustainable, are meeting educational standards, and are supporting the career objectives of international students

At the moment, provinces and territories require post-secondary institutions to demonstrate they will serve the needs of international students as a condition for obtaining DLI status. However the prevalence of negative experiences shared by international students indicate certain DLIs are not living up to their end of the bargain. The two levels of government could require more detailed plans from DLIs as they did during the pandemic, when DLIs had to submit “COVID-19 Readiness Plans” as a condition of being able to continue to welcome international students on their campuses. Examples of other details DLIs should be probed for include class sizes, and the ratio of counsellors and other support staff to international students. While provinces and territories require DLIs to employ international student counsellors, a common complaint is there only one or two on staff which is inadequate to service the growing levels of international students.

DLIs who do not live up to standard should be subject to losing their ability to welcome additional international students.

3) Improve awareness among international students enrolling in programs ineligible for a PGWP

Given the strong motivation among international students to obtain PGWPs and permanent residence, greater effort is required to inform those who enroll in programs ineligible for a PGWP. One of the major challenges here is overseas education agents correspond with DLIs and IRCC without international students ever being made aware of their PGWP ineligibility. This can be addressed by both the DLIs and IRCC sharing responsibility for communicating with the international students directly, so that students make informed decisions. For example, DLIs, including private colleges, could be required by the two levels of government to include in their Letters of Admission (LOA) that a given program is ineligible for a PGWP and also have some form of documented proof this information was directly communicated by the DLI to the prospective international student. In addition to this, at the time of the study permit application, IRCC could set up procedures so its employees directly communicate this message with the prospective students so the message gets across.
4) Housing supply for international students

To ensure the integrity of the international student’s program, the federal government should be more active in the housing space so as to ensure there is an adequate supply of accommodation options. The government should:

a. gather federal data about student housing, which is crucial for making well-informed choices;
b. under the National Housing Strategy, create a dedicated infrastructure funding stream for post-secondary institutions to build affordable housing options for students, including international students and,
c. expand the use of the Canada Mortgage and Housing Corporation’s (CMHC) initiative for rental construction financing, a scheme designed to offer affordable loans to promote rental apartment ventures. This expansion aims to incentivize the development of student housing facilities.

However, student housing supply will not materialize immediately. The starting point in addressing the housing implications of international foreign students is the financial sustainability of colleges and universities. It is therefore imperative that a national dialogue on this issue take place as soon as possible, along the lines of recommendation 1 (see page 13).

5) Housing supports, employment and sexual abuse: better inform international students about their legal rights and recourse available to them

The two levels of government and DLIs share responsibility for ensuring international students are aware of their legal rights in Canada. DLIs are the first point of contact for international students pre-arrival and should be responsible for sharing information, such as guides on how to find housing and their housing rights under provincial/territorial law, employment rights, and what to do if they have been a victim of a crime or inappropriate behaviour. IRCC and the provinces and territories should also supplement these efforts via a combination of information on their websites, guides, emails, and social media campaigns. Moreover, the two levels of government can have a presence at major airports across the country in the weeks leading up to the three major enrollment cycles each year (January, May, and September). This can enable them to provide vital information upon international students arriving to Canada.

Examples of information that should be shared include:

a) Emergency phone numbers in Canada.
b) Which level of government is responsible for what (e.g., federal government is responsible for immigration, the provinces and territories are responsible for housing, employment, education, etc.)
c) That the law in Canada also applies to international students. International students are protected by the law and should report crimes and inappropriate conduct to authorities.

d) Being a victim of a crime or being victimized by a landlord or employer will not affect your Canadian immigration status nor result in deportation.

e) How international students can protect themselves from common fraud and scams in Canada (e.g., identity theft, financial crimes, etc.)

f) Safety guides to protect international students from sexual abuse. As an example, MOSAIC, a non-profit immigrant-serving organization in BC, has produced such a guide with support from the BC government.\textsuperscript{lviii}

g) How to find housing as well as how to protect one’s housing rights. For instance, the maximum deposit a landlord can obtain, the importance of signing a lease agreement to protect one’s self, and that by signing such agreements, a landlord cannot kick you out without a legal basis. In addition, information on provincial/territorial housing laws and how to get in touch with landlord and tenant boards should any problems arise.

h) Employment rights in Canada and how to get in touch with provincial/territorial governments in instances of disputes.

i) Where international students can access free mental health supports.

6) Develop a national policy strategy on TR to PR pathways

Canada does not have enough PR spots to satisfy demand among international students, a challenge which stems from the federal government setting a limit on the number of new permanent residence Canada welcomes each year, but having no caps in place for temporary resident arrivals. As such, new international student arrivals now exceed the number of permanent residence landings annually. This necessitates a long overdue national policy conversation involving the federal government, provinces and territories, DLIs, employers, the immigrant-settlement sector, among others.

At present, Canada does not have a national strategy on facilitating TR to PR transitions. Developing one can help to limit disappointment among international students, and by widely disseminating it, help better inform international students that despite claims they have heard from agents and others, there are only a finite number of permanent residence spots available in Canada and they need to carefully consider their options before pursuing an education pathway to PR.

Key questions that need to be probed in developing a strategy include:

a) What are the pros and cons of leaving our international student admissions uncapped? What are the potential pros and cons of introducing annual targets like we do for permanent residents?

b) What is Canada’s capacity to continue to welcome high levels of international students? (i.e., housing, health care, employment, infrastructure, and other areas).
c) How can the two levels of government, DLIs, and other stakeholders effectively convey to international students that obtaining PR is not a foregone conclusion?

d) What is the ideal mix of Canada’s permanent residents? (i.e., the mix between candidates who are international students and non-international students).

e) Should we increase study permit admissions standards to improve the odds of international students being competitive enough permanent residence candidates?

f) What is the best way to facilitate TR to PR transitions? (i.e., through existing federal/provincial/territorial programs or by developing programs specific to international students).

Developing such a strategy would not only help to address international student program integrity issues, but also identify how we can better align our international student program with the needs of provinces and territories, DLIs, employers, among others. For example, what is an adequate level of international student arrivals that can help DLIs sustain their finances, help to address employer demand, and give the provinces and territories enough potential candidates for their immigration programs?

7) Develop a national policy strategy on international student settlement supports

Similar to the previous suggestion, Canada would benefit from developing a national settlement strategy for international students. IRCC spends some $2 billion annually on settlement and integration supports nationally including in Quebec, however the supports are predominantly available to permanent residents, with just a few exceptions. IRCC argues the settlement program is already very costly and it would be even more expensive to include temporary residents, especially since many of them will remain in Canada temporarily. Provinces and territories fund settlement supports of their own, but the types of services and their quality vary widely across the country, with some jurisdictions serving temporary residents and others not serving them. Moreover, international students often report the supports available at their DLIs to be inadequate, while international student advisors at DLIs often concede they are understaffed relatively to the number of people they need to serve.

The benefits of developing a national settlement strategy include providing better care and a more positive experience to international students who are making a major commitment to move to Canada, and who will serve as permanent residents and ambassadors of Canada for decades to come. In addition, developing a strategy can help to address the abuses highlighted above and can also better educate and prepare international students for life in Canada as a permanent resident.

Key questions to guide strategy deliberations can include:

a) What share of international students typically need some form of settlement supports?

b) What type of supports are most in-demand among international students?

c) Who is best placed to deliver the supports and how would they be delivered?
d) How much additional funding is needed to deliver the supports and who should contribute to funding them? (i.e., federal government, provinces/territories, DLIs).

**Federal areas of action:**

8) **Explore creating a national language standard for DLI admission criteria**

The current system of devolving international student admissions criteria to DLIs is leading to a race to the bottom. Welcoming international students with weak credentials sets them up for failure in Canada, leaves them vulnerable to exploitation by landlords, employers, and others, and affects the academic experience of Canadian students. As such, it may be beneficial for IRCC, and the provinces, and territories to explore creating a national language standard for DLI admission criteria.

Over a decade ago, IRCC introduced the requirement for economic class immigrants to complete an official language test as a condition of being approved for permanent residence. It then imposed a national standard of a Canadian Language Benchmark (CLB) score of at least 4 to obtain IRCC approval. The rationale for this policy is to ensure economic class immigrants have sufficient enough language skills to successfully settle in Canada. No such requirements exist when it comes to applying for a study permit, except through the fast-track Student Direct Stream (SDS) program, which has a CLB standard of at least 7. DLIs, language experts, and researchers (e.g., Statistics Canada) should be consulted to identify an appropriate baseline.

9) **Strengthen the LOA verification process**

To avoid instances such as of the Toronto Star story of the some 700 Indian students facing deportation due to forged LOAs, IRCC needs to strengthen the LOA verification process. This entails confirming with DLIs that each LOA that has been included with a study permit application was in fact issued by the DLI. One news article indicates IRCC launched a Letter of Acceptance Verification Project (LoAVP) in 2018. However, the article states just 24,000 LOAs have been examined under the project, with 3,000 being flagged for being forged (12.5%). While it may be onerous for IRCC and DLIs to validate each LOA at the time of a study permit application being reviewed, this process would certainly strengthen the integrity of the international student program and also save trouble and resources down the line, such as IRCC and the Canada Border Services Agency (CBSA) then needing to spend precious resources on court proceedings and deportations. It is also important to note there are private sector technological solutions already available that verify LOAs. The use of technology, whether it is technology IRCC creates internally, or contracts out to the private sector, would help to speed up the LOA verification process.
10) Reform the IRPA and IRPR to better regulate the conduct of education agents, and introduce other federal oversight measures

As noted by Global Affairs Canada, “there is currently no collective policy on education agents, with no accreditation system or formal endorsement of any education agents, nor is there any legislation, policy or guidelines that apply to how institutions can work with education agents.” As such, the federal government should hold public consultations with key stakeholders to identify what reforms it can introduce to both the Immigration and Refugee Protection Act and the Immigration and Refugee Protection Regulations to address the aforementioned shortcoming. Stronger penalties, such as fines and the revocation of DLI status should be considered for those who violate the strengthened education agent regulatory regime.

This suggestion is in line with Recommendation 9 of the House of Commons’ Standing Committee on Citizenship and Immigration (CIMM) February 2022 report on international students. The recommendation calls on IRCC to work with the provinces, territories, and DLIs to regulate agents and ensure information packages provided to recruiters including how international students can protect themselves from fraud. In its written response to CIMM regarding the study, IRCC agreed with the theme of this recommendation, however it noted neither the federal government nor the provinces and territories have the jurisdiction to regulate agents outside of Canada, though they were working together to explore solutions. This major challenge further underscores why it is so critical for the federal government and DLIs to identify how it can directly communicate with potential international students before they step foot in Canada so that the most accurate information possible is being relayed to the students.

An additional means of strengthening protections is looking to an example out of Australia. Australia’s Commonwealth Ombudsman has a fact sheet available for international students with information on what steps they can take when they have a problem with an education agent. Having Canadian DLIs and IRCC relay such information directly to international students can help reduce fraud and negligence by agents.

In addition, Australia requires their educational institutions to upload agent information into a centralized portal including which agents the institutions have written contracts with, and study visa outcomes by agents including whether applications were approved, refused, withdrawn, or deemed invalid. IRCC could roll out a similar system that would allow national stakeholders to have access to the same data on which agents have a proven track record, and which ones should be avoided.
**Provincial and territorial areas of action:**

11) **Explore more regulations on international student tuition**

While provincial/territorial regulations already exist on how much DLIs can increase tuition on existing international students, the annual hikes remain arguably exorbitant. The 20% cap in Ontario, for example, far exceeds the pace of inflation and leaves existing international students in very precarious situations since they have already undertaken a significant financial undertaking to come to Canada. Introducing lower caps to international student tuition hikes likely needs to be part of a broader conversation on ensuring provincial/territorial funding to DLIs and Canadian student tuition is keeping up with rising operating costs and inflation.

12) **Introduce more regulations on education agents and penalties for DLIs who benefit from unscrupulous agent behaviour**

Provinces and territories also need to introduce more regulations on agents. Manitoba is the only province that regulates international student recruiters.\textsuperscript{63} Manitoba’s *International Education Act* (IEA) took effect in 2016.\textsuperscript{64} The IEA’s two purposes are to protect international students from potential fraud and negligence and to promote the province’s reputation as a high-quality destination for international students by providing a measure of quality assurance.\textsuperscript{65} Among the provisions of the IEA is Section 20 (1) which requires DLIs to maintain a list on their website of agents that they work with.\textsuperscript{66} In addition, Section 18 states DLIs and agents must comply with a code of practice and conduct established by the province. Manitoba has a code of practice and conduct guide on its website.\textsuperscript{67} Sections 47-50 of the IEA define its offenses and penalties, with penalties ranging from $25,000 fines for individuals and $50,000 fines for corporations. However, one may argue that penalties need to be far more severe, including steeper fines and the revocation of DLI status to better deter unscrupulous behaviour and negligence. Nevertheless, provinces and territories can learn from the Manitoba experience to introduce laws of their own to better govern agent and DLI behaviour.

**Conclusion**

International students are major assets to Canada economically, socially, and culturally. Despite the challenges managing the growth of Canada’s international student population, the growth itself is a testament to Canada’s strong global brand, and Canada stands to enjoy significant benefits from the growth over the short- and long-terms. International students will transition to the Canadians of tomorrow and those who leave Canada after their studies will have enduring ties with this country for the rest of their lives.

At the same time, Canada has been a victim of its own success and needs to take a step back to evaluate how it can better manage its international student program. It is crucial to address program integrity issues so we can continue to enjoy the benefits of the international student program.
student program for decades to come. It is also imperative to maintain public confidence in Canada of our immigration system, which serves as the foundation for our ability as a nation to continue to welcome and settle large numbers of permanent and temporary residents.

Providing international students with a positive experience is also key to maintaining Canada’s strong global brand. International students make significant financial and social sacrifices to come here, and it is our collective duty to support them. The suggestions listed in this discussion paper aim to contribute to broader efforts on how we can promote a healthier international student program moving forward.


iii IRCC, *Statement from Minister Fraser concerning reports of international student fraud*. June 14, 2023. 


v IRCC. *Canada - Study permit holders with a valid permit on December 31st by Province/Territory of intended destination and study level, 2000 - 2022*. February 2023.

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xv IRCC, *Canada announces extension of post-graduation work permits for up to 18 months to retain high-skilled talent*. March 17, 2023. 

Strengthening the integrity of Canada’s international student program


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