

Intelligence MEMOS



From: Rosalie Wyonch

To: Labour market observers

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Re: **SMOOTH TRANSITIONS: BOOSTING INTERNATIONAL STUDENT WORK SUCCESS**

There are more international students in Canada than ever. Many experience challenges along the path of getting their education, applying for jobs and securing permanent residency status in Canada. Policymakers and educational institutions can take steps to improve the likelihood of success following graduation and to protect students from exploitation. Paid work integrated learning (WIL) is one key element, as I explored in my recent C.D. Howe Institute [study](#) of the field.

There were a total of 807,750 study permit holders as of the end of 2022, with 549,815 permits [issued](#) last year, up 24 percent over 2021. More than half the 2022 permits were for Ontario schools (52 percent), followed by institutions in BC (20 percent). More students [come](#) from India and China than the rest of the world combined, with Indian student visas outnumbering Chinese student visas more than 4:1.

All students have to balance the costs of education and living expenses against time for studying and time for working to gain experience and earn wages. Rising shelter and food costs are a challenge for all students, one reason almost every campus has a food bank. Surveys say about 40 percent of post-secondary students are food insecure and international students are significantly more likely to be food insecure than domestic students. They also pay higher tuition fees – an average of \$36,123 versus \$6,822 – than Canadian residents.

Many international students [work](#) and contribute to the economy during their studies. Labour participation of international college students [increased](#) from 7 percent in 2000 to 57 percent by 2018. Ottawa just temporarily lifted the 20-hour-per-week restriction for eligible international students until the end of this year. Meanwhile, international students who [work](#) during their studies are three times as likely to become landed immigrants compared to those who did not work.

Work integrated learning (WIL) experiences can help to manage the challenges of the limited time and financial resources. Alternating periods of study with relevant work experience can help alleviate financial hardship, prepare students for their chosen career paths and inform them of the various options following graduation. WIL participation is [associated](#) with a higher likelihood that a graduate's first job will be highly related to student's field of study. Depending on the type of WIL program and educational institution, WIL participants face a lower likelihood of part-time or non-permanent employment and have higher incomes following graduation. Co-op [participation](#) by visible minority and immigrant university graduates is associated with incomes similar to their white male counterparts, reducing wage gaps in the labour market. Conversely, fewer years of pre-graduation work and lower earnings seem to produce most of the difference in post-graduation earnings for international students compared to domestic students.

At the same time, however, many students also [report](#) they were not paid during their WIL experiences (4 out of 5 college graduates and 3 out of 5 university graduates). This is particularly concerning for fields of study where WIL is mandatory, such as education and health. Since the vast majority of graduates participate in WIL it is less likely to provide labour market advantages and those fields are also the ones where more than 90 percent of students are not compensated during their WIL experiences. Although many students benefit from WIL experiences, governments and educational institutions should have safeguards in place to prevent, investigate and intervene in cases where student labour is being under-compensated to ensure that their labour rights are being upheld.

In addition, expanding the number and quality of WIL opportunities for postsecondary students could improve labour market outcomes of graduates and increase the likelihood of international students settling permanently in Canada.

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