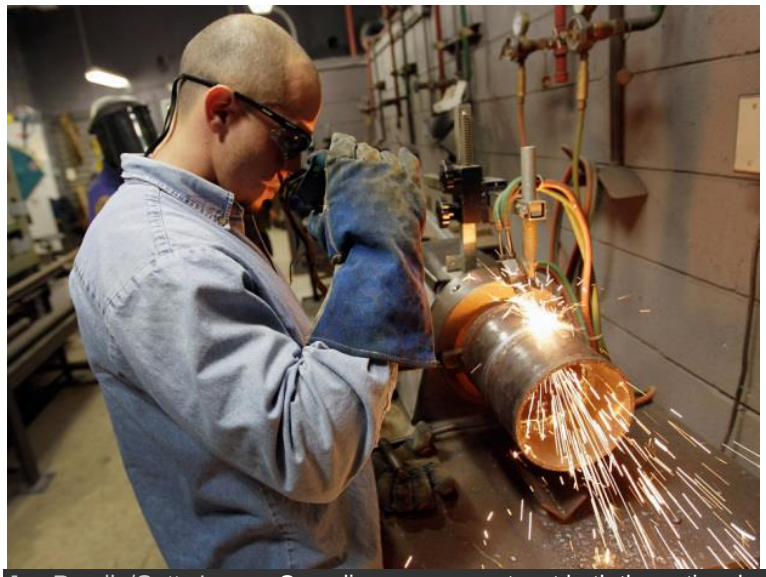
How Canada is winning the race in recruiting skilled immigrants while the U.S. lags behind

MEERA LOUIS, BLOOMBERG NEWS | May 2, 2013 12:24 PM ET



Joe Raedle/Getty ImagesCanadian governments, at both the national and provincial levels, are courting skilled workers such as plumbers, pipefitters, electricians and others from the U.S. and elsewhere.

Skilled worker shortage: Canada recruiting immigrants at expense of US

When a recruiter called last year about a position as a mechanic in British Columbia, Paul Thomas said he could hardly believe it.

Thomas's annual income had dropped to US$40,000 a year from US$100,000 as business slowed at the Atlanta auto dealership where he worked. He'd filed for bankruptcy, his house was in foreclosure and other jobs were hard to find even with his resume posted online. Starting a new life in Canada sounded appealing.

The recruiter sent Thomas an e-mail loaded with video links describing the company, the owner's charity projects and the city of Prince George, dubbed the "Northern

Capital" of British Columbia. "My wife and I were excited," Thomas, 45, said. "Auto mechanics don't get approached by recruiters, so it was sort of nice being catered to."

The dealership, specializing in heavy-duty trucks, paid for him to visit the area. He was hired last March under a skilled worker program and in a month had a work permit. With a contract paying up to $100,000 a year and government-provided health care, a job in Canada was like "I scratched a lottery ticket," he said.

Canadian governments, at both the national and provincial levels, are courting skilled workers such as plumbers, pipefitters, electricians and others from the U.S. and elsewhere. In addition to the program under which Thomas was hired, a category for specific trades began in January to address labour shortages while easing the path to residency, the federal government said. That program is forecast to admit up to 3,000 applicants in its first year.

'Global Competition'

"It is a global competition and Canada's design will lead to success perhaps at the expense of other countries like the U.S.," said Richard Kurland, a Vancouver-based immigration lawyer and policy analyst for large companies. "Canada creates a separate fast track to lure quickly desired occupations." In 2012, Canada granted more than 38,000 skilled workers permanent residency under already existing programs.

The country is trying "to build a fast and flexible immigration system that is responsive to the needs of Canada's economy," Immigration Minister Jason Kenney said in a press release Jan. 2. Employers "have long been asking for ways to get the skilled tradespeople they need to meet demands in many industries across the country."

Geographically Imbalanced

Canada's labour market is geographically imbalanced. The four westernmost provinces have jobless rates below the country's 7.2% average in March, as low as 3.9% in Saskatchewan where demand is high for workers in the oil and mining industries. In Ontario and the five eastern provinces, joblessness is above the national rate, as high as 12.3% in Newfoundland and Labrador. The national government has been trying to encourage internal migration without much success.

Applications under the skilled trades program are expected to be processed within 12 months and include jobs from farm supervisors and crane operators to water and waste

treatment plant operators. Basic language proficiency in either English or French is required.

The country has one of the highest immigration rates in the world, welcoming about 250,000 new permanent residents each year, according to a government website. The U.S. was the fourth-largest source of immigrants in 2011 with 8,829, behind the Philippines, China and India.

U.S. Proposals

Canada's efforts take place as U.S. policy makers grapple with rewriting immigration law. Senate legislation would give a means to obtain citizenship to 11 million undocumented immigrants, tighten border security, and create new programs and priorities for admitting future immigrants.

Changes being considered include granting permanent legal status to those with a graduate degree in science or technology from a U.S. university. Technology companies have been pushing to increase the number of temporary H-1B visas; the legislation raises the cap to 110,000 from 65,000, adjustable based on demand. An additional 25,000 would be available for those with advanced degrees from U.S. universities.

The Senate Judiciary Committee on May 9 is scheduled to begin considering amendments to the legislation. The panel's chairman, Vermont Democrat Patrick Leahy, plans to allow an open amendment process to gain as much support as possible. Senate Majority Leader Harry Reid wants to bring the bill to the floor in June, though some senators have asked to slow its consideration following the April 15 Boston Marathon bombings, in which two brothers who legally immigrated to the U.S. have been implicated.

Family Ties

The U.S. immigration process favours family ties, while Canada emphasizes economic considerations. In the U.S., 680,799 immigrants obtained legal residency based on family sponsorships in the fiscal year ended October 2012, and 143,998 obtained residency via employment, according to the Office of Immigration Statistics under the Department of Homeland Security.

In Canada, 160,617 immigrants qualified for residency under the economic class, while 64,901 became permanent residents through family ties in 2012, according to Citizenship and Immigration Canada.

Unlike the U.S., where it can take years for someone to obtain a green card, or the right to permanent residency, an immigrant who qualifies as a skilled worker with an approved job offer can obtain permanent residency within 18 months, according to Kurland.

Applicants in Canada don't even need an offer letter to get residency under programs like the federal skilled worker class, Kurland said. They can also qualify by scoring "permanent resident selection points" based on language proficiency, education, work experience, age and "potential adaptability," which gives additional points based on spouses' education and language proficiency.

Biggest Difference

"The biggest difference in the U.S. and Canada is that the employee or applicant can self-petition" for permanent residency, said Marc Laforce, a Canadian immigration consultant based in Dallas.

The U.S. system is difficult to navigate, said Ray Marshall, a former Labor Secretary under President Jimmy Carter. For example, an applicant may have to work for up to 11 years with a sponsoring employer to obtain permanent residency, said Marshall, now a labour economist at the University of Texas in Austin.

The lack of self-petitioning "puts the U.S. at a disadvantage in several ways," he said. "U.S. immigration policy is not guided by any goal or objective," whereas Canada has developed a "value-added immigration policy to boost the economy."

One of Canada's immigrant worker programs, the temporary foreign worker program that enables employers to fill immediate labor shortages, has come under attack by some groups including unions.

Controversial Program

"It is extremely controversial in Canada because there is significant evidence that employers are using the program to replace Canadians and undercut wages," Jim Sinclair, president of the British Columbia Federation of Labour, which represents 450,000 workers in the province, said in an interview.



Jeff McIntosh/The Canadian PressGord Nixon, president and CEO of the Royal Bank of Canada. RBC made a public apology to the workers who are being affected by the bank's outsourcing arrangement with a foreign company.

Royal Bank of Canada faced criticisms after media reported on an outsourcing arrangement for technology services that affected some bank employees. The country's largest lender said in an April 7 statement that it hadn't hired temporary foreign workers to replace current staffers, noting it works with "external suppliers" to provide certain products and services.

Opposition lawmakers in the House of Commons have accused the government of allowing companies such as fast-food restaurants to use the program to bring in lower-paid foreign workers at the expense of Canadians.

Program Changes

The government announced changes to the temporary foreign worker program April 29 that will require employers to pay temporary foreign workers at the prevailing wage and have a plan to transition to a Canadian workforce over time.

Still, the government wants to maintain an open door policy to boost productivity. "We always point out to Canadians that even though there are too many unemployed Canadians, there are also too many unfilled jobs," Kenney said in a speech April 2.

There were 200,000 employment vacancies among Canadian businesses, according to Statistics Canada data. Almost 900,000 net jobs have been created in the country since July, 2009.

For Thomas, moving to Canada solved his financial problems and offered him a new lease on life, he said. He and his wife, who also has a job in Canada, say they appreciate their new community and friends.

The family plans on applying for permanent residency, he said. “Canada was my saving grace,” Thomas said. “And I believe I will stay here for a while.”

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