

Labour Market and Immigration Outcomes of Ontario International Students in the Public and Private Postsecondary System

Project Team: Social Research and Demonstration Corporation

Over the past decade, the number of international students choosing to study in Ontario has increased dramatically. These increases coincided with the implementation of Canada's 2014 international education strategy, which set ambitious targets for attracting new international learners. International enrollment increases also raised concerns across the country around housing and other services and led to a series of Immigration, Refugees and Citizenship Canada (IRCC) policy shifts starting in early 2024. New limits to study permits and Post-Graduation Work Permit (PGWP) eligibility impacted international students seeking to study at Ontario's publicly assisted and private institutions. As the federal government continues to refine its international education and immigration policies, it is helpful to understand the pathways and outcomes of international learners prior to the dramatic policy shift. The Social Research and Demonstration Corporation (SRDC) examined the labour market and immigration outcomes of international students who studied in Ontario's public and private postsecondary sectors.

Research Questions and Methodology

The SRDC's study was guided by two research questions:

1. What are the labour market outcomes for international students who pursued postsecondary education by sector and study level up to five years after graduation (or, for private attendees, after receiving their initial study permit)?¹
2. What are their transition rates to permanent residency (PR) up to eight years after receiving their initial study permit?

The SRDC used data from Statistics Canada's Education and Labour Market Longitudinal Platform (ELMLP) along with the Longitudinal Immigration Database (IMDB), the Postsecondary Student Information System (PSIS) and the T1 Family File (T1FF). The PSIS contained public college and university enrollment across Canada during the 2009-10 academic year, while the IMDB identified who received study permits but were not captured in the PSIS. The SRDC analyzed all four data sets (ELMLP, IMDB, PSIS and T1FF) to explore the labour market outcomes and immigration statuses of international students in Ontario between 2010 and 2020.

¹ Available data is not consistent for public and private international attendees in Ontario.

Researchers used tax-filing rates (at one and five years after initial permit or graduation), reported earnings and PR status (at two, four and six years after initial permit or graduation) to better understand the long-term outcomes of international postsecondary students in Ontario.

Findings and Recommendations

Public Attenders

- One year after graduation, most Ontario international students (80%) who received a study permit for a public institution between 2010 and 2020 filed taxes in Canada.
- Public bachelor's degree graduates were less likely to file taxes one and five years after graduation compared to those who graduated from certificate, diploma or graduate degree programs. However, bachelor's graduates earned more than students with a certificate or diploma (but slightly less than those with a graduate degree).
- Tax filing differed by field for public attenders: Students who completed a credential in health (87%), engineering (85%), services (83%), math and computer science (80%) and business (80%) were the most likely to file taxes in Canada one year after graduating.
- Graduates of engineering, math and computer science programs had the highest earnings, while graduates of arts programs had the lowest.
- 21% of Ontario international students at public institutions became permanent residents as early as four years after receiving their first study permit. By year eight, the overall rate of transition doubled to 54%. Those who attended Ontario universities were less likely to transition to PR than those who attended college.
- Students who started in a certificate, diploma or graduate program transitioned to PR at high rates: 65%, 69% and 63%.
- International students at public institutions who entered health programs (76%), services (67%), engineering (66%) and math and computer science (60%) were the most likely to become permanent residents by year eight.

Private Attenders:

- Of private attenders who received a study permit between 2010 and 2020, 22% filed taxes one year after their study permit was issued.
- Students who held study permits for certificates and diploma programs at private institutions had higher tax-filing rates the first five years after receiving their initial study

permit compared to bachelor's and master's degrees, PhDs and ESL, trade and other programs.

- Private institution permits holders earned about \$17,500 in their first year after receiving a study permit, and by year five their earnings rose to \$40,500. In comparison, public institution attendees earned about \$15,500 in their first year. Starting in year two, private attenders earned consistently less than public attenders, and the difference increased to approximately \$6,000 by year five.
- Master's degree and PhD permit holders at private institutions had higher earnings (\$59,700 and \$47,000) by year five compared to all other private permit holders.
- PR transition rates after six years were lower for private institution learners (16%) than public institution graduates (42%).
- Private attenders who pursued shorter credentials (e.g., certificates, diplomas, master's degrees) attained PR at higher rates than students in other credentials. On the other hand, students in longer programs (bachelor's degrees and PhDs) may take longer to gain work experience needed for immigration.
- Very short programs like ESL, trade/vocational and other programs had much lower PR rates due to limited PGWP eligibility.