



Indian Students and professionals Migration to Canada for Permanent Residency

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Knowledge is the key engine of economic growth of a country. The knowledge-based economy is the one where knowledge is - created, disseminated, and applied to enhance economic development. If our knowledge-based skilled population starts migrating abroad in abundance then it will dampen our economic development to a great extent. Both, the government and people of India recognize and value the importance of the role being played by Indian communities living abroad. It is believed that the Indian diaspora has been instrumental significantly in building modern India. If they returned after getting an education then they can contribute more to Indian developments. We propose to facilitate, encourage and promote these engagements. The basic purpose of this paper is to study the migration Both, of skilled professionals and students to Canada and further the challenges of shortage of highly skilled people in core sectors in India.

Shortages of highly skilled in India

BIOTECHNOLOGY: 80% Shortage of Scientists and Researchers, 18% shortages of Production staff: 22 % Shortage of Legal and Regulatory experts:
FOOD PROCESSING: 65 % shortage of Trades: Refrigeration mechanics, Refrigeration plant operators, Electricians,
FITTERS: Shortage of almost 60-70% of Production managers or supervisors, RandD, Product development technologists to assist in designing, Researching and developing new food products, Food engineers, Food safety and quality assurance, Food microbiologists, Quality assurance scientists, Risk management professionals, Supply chain, Regulatory and legal experts, Technical support :
HEALTH
a. Doctors : No in 2005 – 592,215 , Addition to the pool every year 22,000, Projected demand in 2012 : 1,200,000
b. Nurses: No in 2005 – 929,826, Projected Demand in 2012 –1,109,826
c. Paramedics, Radiographers, Physiotherapists, Radio-physicists, ECG technicians, OT technicians and Audiometrists
EDUCATION
Central Universities: Acute shortage of faculty: Especially in disciplines like engineering,



management, economics, computer science and IT: 25% to 40%.

Private Universities: Acute shortage of faculty members in disciplines like engineering, management, computer science, electronics and communications, etc. The shortage of faculty members in the aforementioned fields ranges from 33% to 75%.

BANKING AND FINANCE

Risk Managers – Shortage to the extent of 90%

IT professionals – Shortage to the extent of 65%

Treasury managers –Shortage to the extent of 50%

Credit operations professionals –Shortage to the extent of 75%

Financial analysts – Shortage to the extent of 80%

Wealth managers – Shortage to the extent of 80%

Economic and Planning analysts – Shortage to the extent of 80%

RETAIL

Operations/shop floor executives – Shortage to the extent of 20%

Visual merchandisers – Shortage to the extent of 50%

Purchase managers / Merchandisers – Shortage to the extent of 30%

Source: FICCI,2005

One major factor of migration is a demographic disruption in developed countries. The ageing population is growing and declining of working force leads to migration. In such an environment, employers started to experience difficulties in finding workers with the necessary qualifications. The growing global unemployment crisis is being responded enthusiastically by highly skilled professional ready to be recruited by the developed economies. It is been observed that developed countries pull factor is working effectively. But the question raised that how India will manage with the scarcity of skilled people?

Objectives of the Paper

- To examine the purpose of obtaining international education or getting permanent residency in Canada.



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- To understand the Canadian immigration system and why it is encouraging highly skilled migrants and students from all over the world.
 - To assess the Indian perspective in terms of why students are migrating despite having good and efficient education available to them in the homeland academic institutions.
 - To examine the direct and indirect effect of the migration on human capital.
 - To analyse the impact of capital flight on consumption and investment patterns in both countries.
 - To carry out a sociological analysis of Migration.

These objectives are interrelated and overlapping. However, this will provide a comprehensive overview of the social and economic aspect of the migration of highly skilled professionals and students from India.

Statement of Problem

The highly skilled migration qualitative report of 2015 provides details on the rising problem of the highly skilled professionals migrating away from India to other countries. Consequently, the scarcity of highly skilled professionals has been intensified in all sectors of the Indian economy. Another major problem observed in the last five years is the people with high purchasing capacity are sending their wards to developed countries for education, while the elite class migrating the country's capital outflow has been increased during the last five years.

Net loss of human capital – It will help us to know the impact of human capital flight not only on the existing capacity building but future capacity also.

It has been observed that students are migrating abroad to pursue undergraduate and graduate courses. In the last five years, this trend has been growing rapidly. In my earlier studies, we observed that regardless of having the opportunities to get subsidized education from reputed Indian colleges and universities, the Indian students are still migrating to study abroad and later on choose to serve the host country(ICSSR, 2015). Several studies conducted by reputed Indian and international organizations claim that the industries are facing a challenge of shortage of highly skilled people in India. The main purpose of this study is to examine the root causes behind the migration of students and highly professionals to the developed countries.



The present situation of deficit in skilled manpower poses a threat to the Indian economy. In the current scenario in-migration of unskilled manpower from the neighbouring countries such as Nepal, Bangladesh has posed unprecedented challenges for the Indian economy. On the other hand, the skilled and professional manpower is found migrating to the developed countries. Such an imbalanced manpower movement –poses hurdles in the path of achieving a goal of making India a country of ‘Job Providers’.

Canada being a land of opportunities is also known to be a country of immigrants. To welcome highly skilled people from various countries, its Immigration and Citizenship department bring necessary updates now and then in the immigration policies which attracts the skilled professional and labour to Canada. While the US administration, under the directions of President Donald Trump has put various kinds of restrictions on the migration. The US companies have also opened up their branches in Canada to avail the services of highly skilled professional. Consequently, Canada has become a second hub for students and highly skilled professionals.

In this research, we will find the reasons as to why students choose to migrate and pursue education abroad.

Literature Review

The existing literature on the migration of students and highly skilled professionals covered up several aspects yet there are certain gaps in the previous studies that are needed to be addressed. In addition to that, recently, there is a new phenomenon taking place in the migration of student and a highly-skilled professional is also discussed. This study is based on primary as well as secondary data. The secondary data is collected through interviews with the help of open-ended questionnaires. The research has already identified the respondents who will be ready to answer the questions with the help of friends and relatives. The researcher also visited Toronto, Canada thrice and is capable to undertake the field survey. The following secondary literature is consulted to understand the gaps in the proposed study.

CBIE (2018), the trend of the last five years has revealed that why students have chosen Universities in Canada to pursue their education. One obvious reason behind their choice is the positive reputation of the Canadian education system. The Canadian government's International Education Strategy Goal was to integrate 4,50,000 international students by 2022. This goal, however, was achieved in the year 2017 itself.



Bhagwati,(1976), the tax would be levied and collected from the highly skilled migrants estimated to be 750 million in revenues in the year of 1972. These recommendations arose out of a conference in 1975 in Bellagio, which received serious attention from academics. If the collection was so high from highly skilled migrants in 1972, then how much it would have arisen in recent years.

Luke,(2000), India is suffering from the loss of educational professionals, LM Singhvi, Indian High Commissioner in London believes that all countries suffer from the migration of skilled workers because there is a loss of skilled manpower that has been invested in them by a country. Approximately, more than 18 million highly skilled Indians live abroad in more than 100 countries.

Minneapolis, MN (2000), as per his views people are leaving India for a desire to support their families at home. In his report, Vivek Ranadive, CEO of Tibco Software Company said, “They have an outstanding education system. You can get very highly qualified Engineers and programmers from India”. There is a belief that if talented Indians remain in India, then the situation of our country would be different. In this article, this concept is not elaborated more but in this proposed study we would like to elaborate on this concept only.

BatchoStefane, (2001), this article puts light on the Canadian Government’s Strategy to increase Skilled workers immigration. They are focusing more on China, India, Pakistan, Philippines and South Korea for highly skilled immigrants. Skilled workers from these countries are accounted for more than half of the total the immigrants arriving in Canada.

Crane David, (1998), in this article, it is observed that due to lack of opportunities, highly skilled people are migrating to the USA for better opportunities. Top Medical researchers are leaving Toronto Hospitals for the USA. Young graduates in computer science, business, law, accounting fields feel better opportunities in the USA. They believe that the USA has a much more innovative culture than Canada.

Dunne, Nancy, (1999), the cost of Canadian Immigration of Highly Skilled workers to the USA is Canadian \$ 6.6 billion (between 1982 to 1996), including the cost of post-secondary Canadian \$ 3 billion. In 1989, Canadian leaving the country was 0.7 per 10000 which increased to 1.7 per 10000 in 1996.

Jasso and Rosenweig (2005) use the pre-immigration wages for workers from 65 countries who immigrated to USA based on NISP (National Industrial Security Program), to estimate



the determinants of skill prices across countries and predicted skill price for 108 countries.

This Study figures out immigration wages for immigrants to Canada.

Yuquan Lu and Feng Hou, (2015), this article provides the statistics of students who have applied for the permanent residency, who have gone there for undergraduate courses and also explained about their success rate.

A Report by Government of Canada (2013), “Welcome to Canada” states that: Building a stronger Canada: Citizenship and Immigration Canada (CIC) strengthens Canada’s economic, social and cultural prosperity, helping ensure Canadian safety and security while managing one of the largest and most generous immigration programs in the world.

Conceptual Framework

Canada is becoming a destination for high skilled and undergraduate students. There are many benefits in migrating as highly skilled migrants and for studying abroad. These benefits include increased cultural awareness and understanding, improved employment prospects and enhanced language skills. The forces which compel students to pursue an international education remain diverse and strong. It seems that students are more likely to pursue their education abroad as it provides them with more opportunities. Another obvious reason for this choice is that Canadian society is tolerant and non-discriminatory. The country has also proven itself to be safer than most. These two important pull factors are the reason behind the fulfilment of their being international.

A survey conducted in August 2018, shows that international students studying in Canada support the excellence and innovation of Canada's education and cultural landscape.

In particular the competition for highly skilled or rush for global talent has acquired unprecedented complexities. There is a worldwide shortage of talent. The growing skilled pool is a basic condition for fueling prosperous knowledge economies. India, being a happening place and a dominant source of supply, this study will highlight the Indian economy is crunching due to the lack of highly skilled professionals. Why we are not in the race of haunting talent and not even preserving our talent? Why we are not able to provide them with good incentives and infrastructure so that they can become the job providers for our own country. India is also facing a major problem of unemployment. Why our policymakers are not paying any attention to this major problem?



India and China are at the topmost in the list for sending their professional highly skilled and temporary immigrants to USA and Canada. Adding to that, this study highlights the problem of student's migration for highly skilled courses at large scale in the last five years. Despite the high cost of acquiring professional skills, immigration is still on the rise. The reason behind this large-scale migration of students is known to be high wages of skilled professionals. The other important factors are: social security, natural endowments, divides in technological advancement and peace of life. It is possible to calculate the cost of acquiring the skill set by comparing purchasing power parity adjusted wages for professionals of the same skill located in different countries. This study will compare the educational expenditure in Canadian Institutions as compared to Indian Institutions based on Fee structure and placements.

Hypothesis

- 1. Liberal policies of Canada encourage the migration of highly skilled professionals and students.**
- 2. Uncertainties of admissions in reputed Indian institutions lead to a major migration of Students.**
- 3. Prevalence of restrictive sociological norms leads to migration from India.**

Research methodology

This study is based on both primary and secondary data. Primary data is collected from the respondents from India as well as from Canada. This study included parents from India who decided to send their wards to study in Canada. In Canada, the migrated students and highly professionals were interviewed. Migration policies are also discussed briefly. Data has been collected from official websites of India and Canada to support the study comprehensively. The IMF, World Bank and OECD reports and its publications are consulted. Quantitative methods have been used to analyze data.

Research Questions

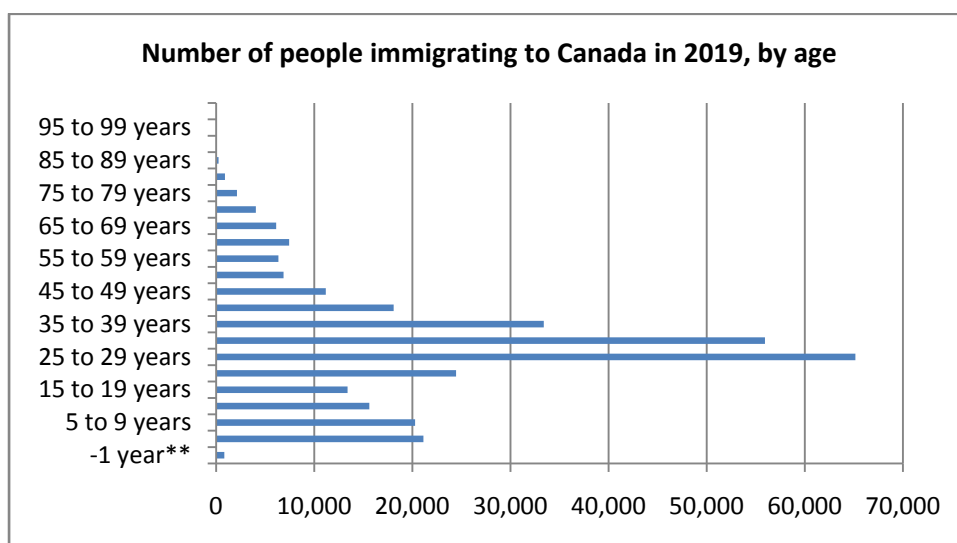
1. Is Permanent Residency the sole purpose of getting an education in Canada?
2. Why the Canadian Government is liberalizing immigration policies from time to time towards highly skilled professionals and students?
3. Why students are migrating despite having good and efficient economical education available to them in India?
4. Why students are ready to pay a huge amount of fee to Canadian universities?

5. How much money they are spending on their travelling to Canada & food, lodging & boarding?
6. Do they face racial discrimination while staying & studying in Canada?
7. In the past few years, many highly skilled Canadians have migrated to the USA in search of better economic opportunities, in that scenario what Indian students and highly skilled professionals expect from the Canadian government in future?
8. How many students migrated are from science and humanities stream?

Data Analysis

Mostly data has been collected from Canadian government websites. It is observed through data that the Canadian Government has liberalized its policies to encourage human capital from all over the world. They open up their universities for the student visa. Easy access to reputed universities in Canada is a pull factor for Indian students. Indian youth is migrating as students and their ultimate goal is to achieve permanent residency. It is observed that students belong to the age of 25 to 29 are easily getting permanent residency even though they landed with student visas. From Figure 1 it can be observed that the Canadian government encourages people belonging to 25 to 39 age and welcoming them with permanent residency. They are not attracting people below the age of five at all and not encouraging above the age of 50. Canadian government aims to pull the high productive labour from the rest of the world. Figure 1 shows a clear cut intention of the government.

Figure 1



Source: <https://www.statista.com/statistics/443305/international-migrants-in-canada-2014/>



Despite having liberalized policies of the Canadian Government for immigration, It has been observed that students migration from the rest of the world is lower. Why Indian and Chinese Students are migrating in large number. This study also finds that though Chinese are also migrating in large numbers they are not looking for jobs or permanent residency over there. This shows that after getting the education they are returning home which is beneficial for the home country. In the case of India, it is been observed that students are only looking for good jobs and permanent residency. It is been observed from Figure 1 that youth at the ages of 25 to 29 has got permanent residency easily. Migrants' age 35 to 39 years, ranked second, this is beneficial for the Canadian government. Now question raised here that why highly skilled youth is migrating from India for education and permanent residency?

The answer would be firstly lack of access to reputed universities, secondly, lack of security of jobs in homeland thirdly despite having a high cost for education in Canada high returns are also there. Lastly, better system and high living standards attract them.

Some of the biggest gains come from the movement of people between countries is migrants' incomes increase three to six times when they move from lower to higher-income countries. The average income gain for a young unskilled worker moving to the United States is estimated to be about \$14,000 per year. If we were to double the number of immigrants in high-income countries by moving 100 million young people from developing countries, the annual income gain would be \$1.4 trillion. This global welfare gain dwarfs the gains from the removal of all restrictions on international flows of goods and capital (World Bank, 2018). If we calculate the cost young people are paying to the universities of Canada \$24500 per year \$2.45 trillion government is earning through International Students (estimated by authors through observation). Developed countries are only gaining from both ends. Initially, they are charging a high fee to make them more skilled and then providing them with jobs and permanent residency they are helping their economy to grow more. There is no denying the fact that highly skilled professionals are an asset to any economy. India is in a great loss on one hand losing skilled youth and other losing our capital also. As it is observed that human capital and capital is a backbone of the growth of any economy.

Figure 2

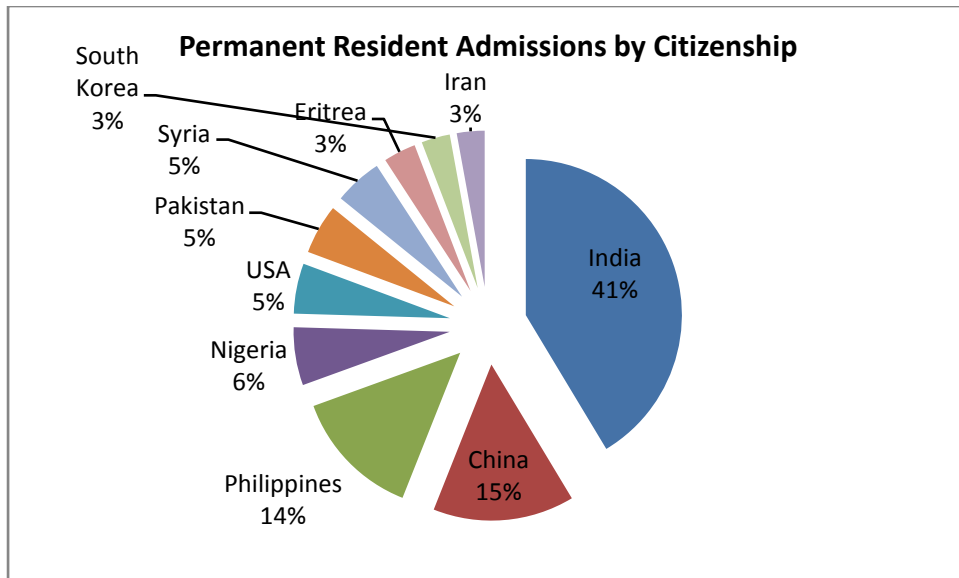


Figure 2 shows that 41% of the total migrating people Indians are getting permanent residency in Canada.

Figure 3

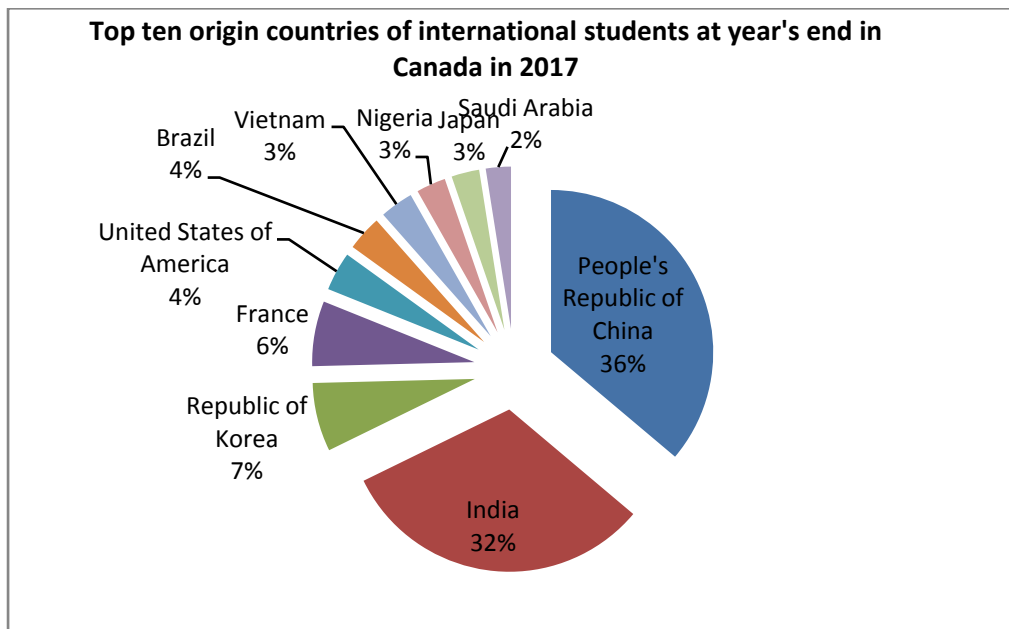


Figure 3.1

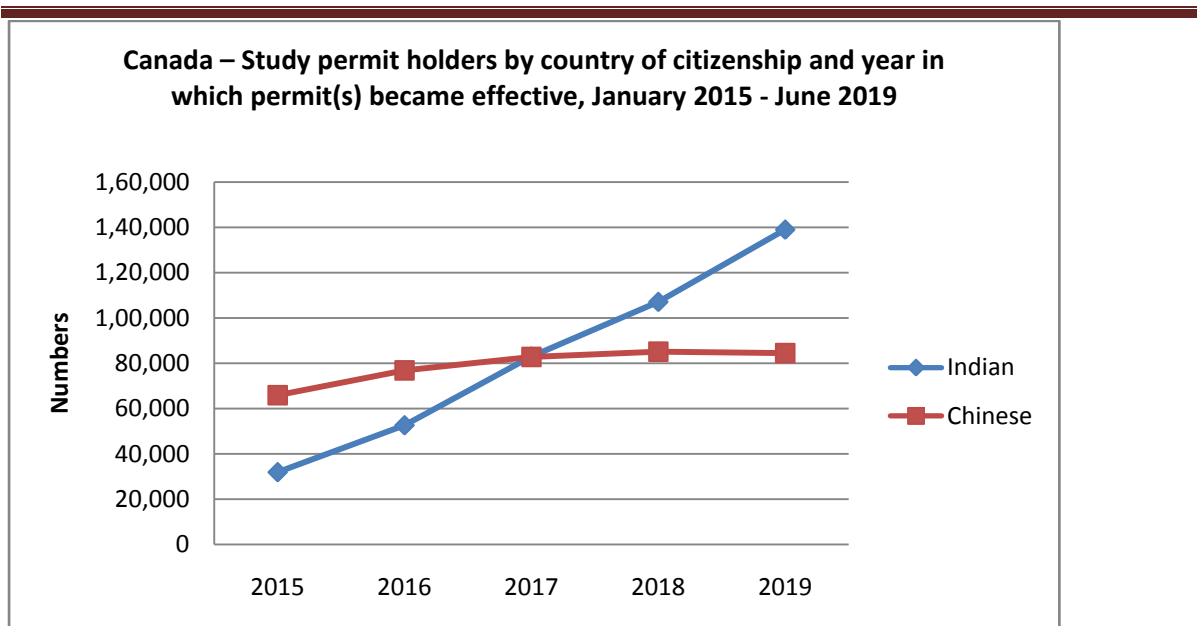


Figure 2 also explains that the highest percentage of Indians have got permanent residency. Figure 3 explains the top ten countries where international students are getting admission to Canadian Universities. It is been observed that China is at number 1 and India is at number 2 in case of admission of international students in Canada. We can draw a conclusion that most Chinese students are getting the education and coming back to their origin country but Indians after getting education having good profile jobs and getting permanent residency. At the same time Figure, 3.1 shows that since 2017 the study permit holders from India has overtaken Chinese student permit holders. Indians who can afford expensive study are sending their wards to Canada for higher studies.

Indians were ranked most appropriate while Chinese ranked lowest for most positions for various job profiles in Canada.

Jobs	India	Philippines	China
Highly Educated (STEM)	73	69	65
Scientists (STEM)	68	65	59
Skilled Trade	63	67	55
Highly educated	60	60	52
Entrepreneurs	59	60	53
International Students	56	62	48
Service	56	56	49
Investors	56	62	48

Figure4

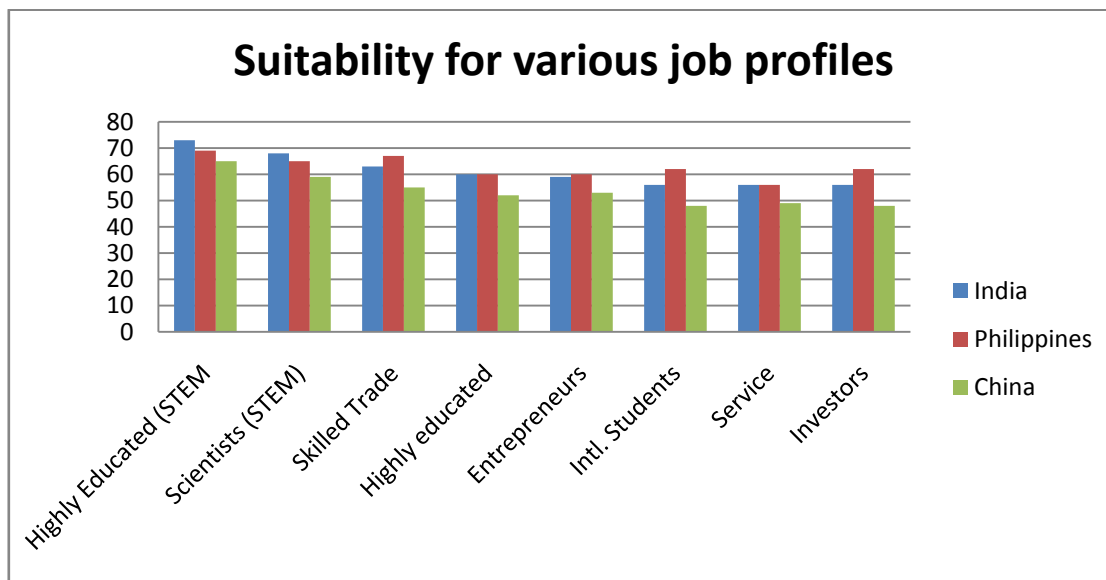


Figure 4 shows that the Chinese are not getting suitable job profile after getting an education in Canada. They might be returning home to their own country. Two possibilities might be there one is that Chinese are not compromising with their job profile or Canadian companies may prefer Indians rather than Chinese. That is why Indians rate of permanent residency is higher than the Chinese or we can say that the Chinese prefer to work in their origin country this is beneficial for the Chinese government.

Figure 5

Canada-Indian Admissions of Permanent Residents by Country of Citizenship, 2015-2019

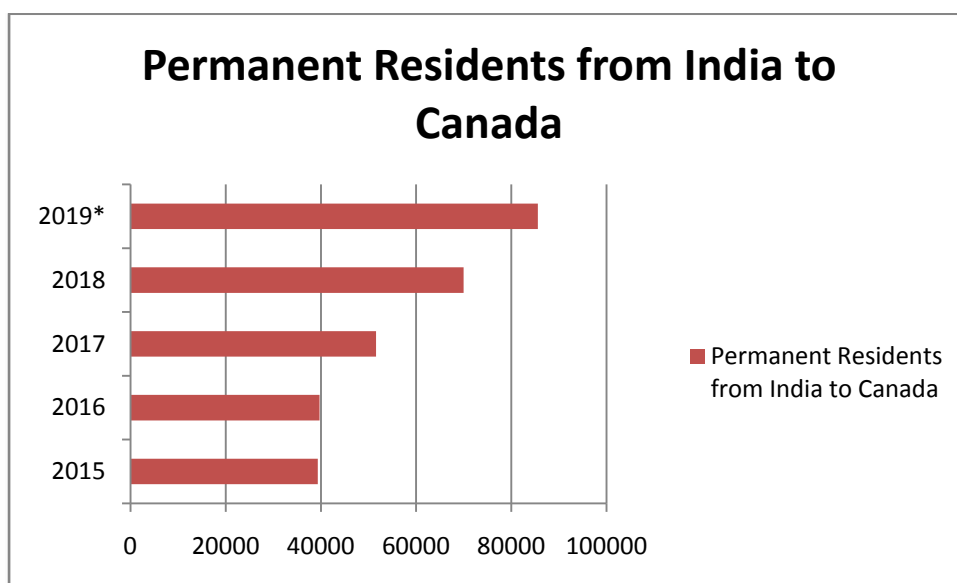


Figure 6

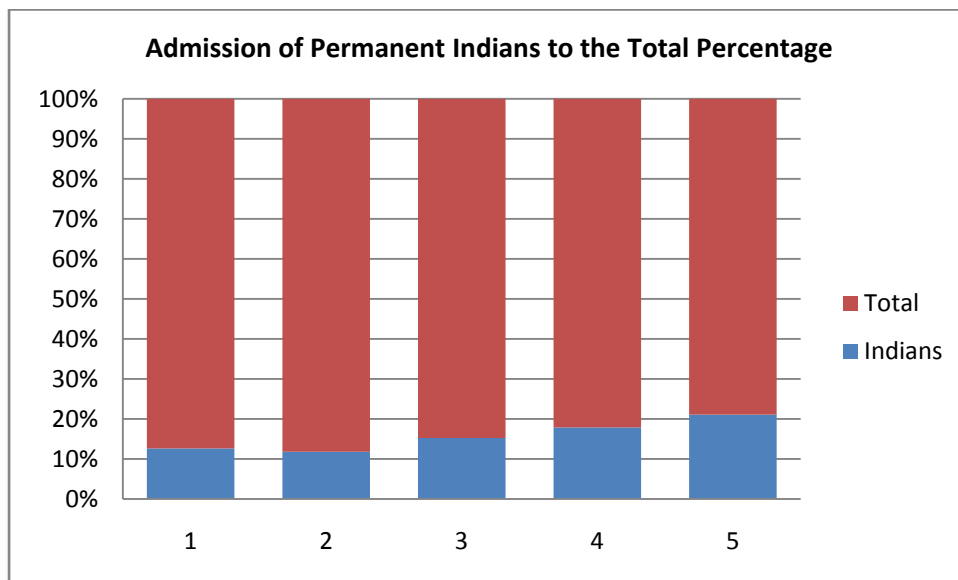


Figure 6.1

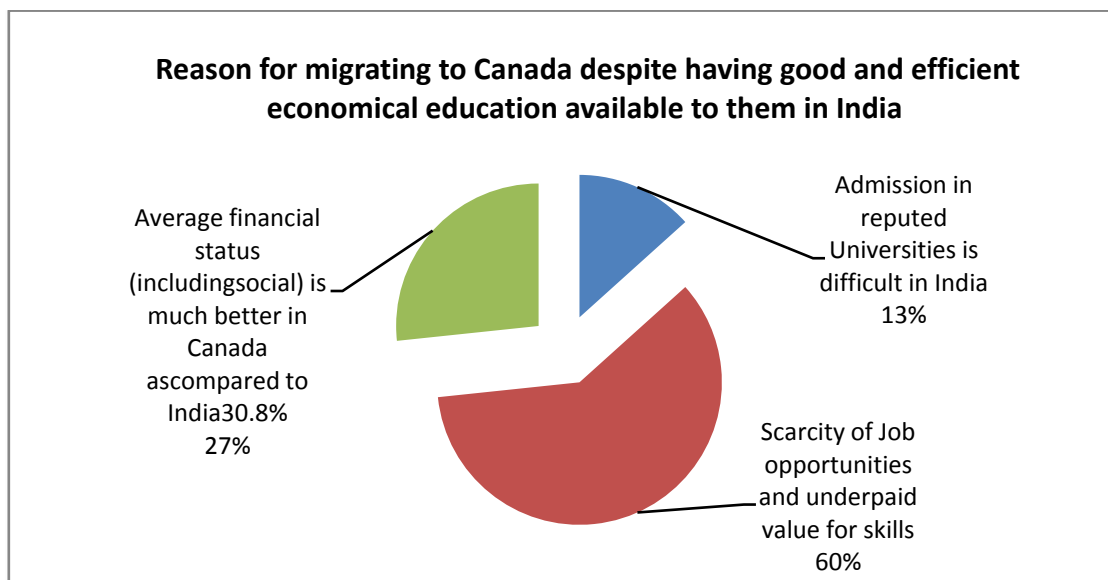
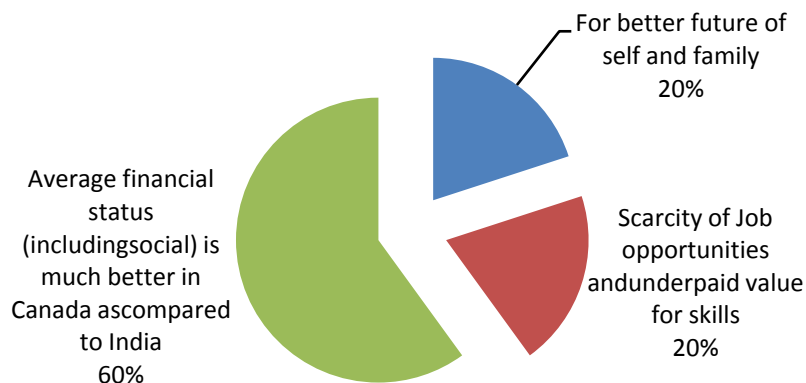


Figure 6.2

Reason for migrating today even being a successful professional in India



The number of Indians who became permanent residents in Canada increased from 39,340 in 2016 to 85590 in 2019, according to a National Foundation for American Policy (NFAP) analysis of Immigration; Canadian statistics show Indian immigrants from 2016 to 2019 have increased more than twice. Figure 5 and 6 show a high percentage of the Indian population is getting permanent residency. Few responses collected from the students and professional who are migrated or who are planning to migrate. Figure 6.1 and 6.2 also shows that a high percentage of the population is migrating because of living standard and financial status in Canada that are migrating. Scarcity of job opportunity is also another factor that students are migrating. There is no denying the fact that for a better opportunity and better future students are migrating from India

Moreover, we can say that Canadian policies have attracted Indian students. ‘Welcome to Canada’ a 148 pages report by the government of Canada guides in a very simple way to the parents about the access of Canadian Universities. It includes information about documents required, how your children can be comfortable at Canadian land, weekly-monthly plans are explained in detail. That’s why educated people are encouraging their wards to study Canadian universities.

Implications

Canada and other developed countries of the world have been liberalizing immigration policies to attract highly skilled professionals from Asian countries. India is one of the countries from where a country like Canada welcomes students and highly skilled



professionals to consolidate its pool of skilled manpower. Consequently, this consolidation further strengthens the economy of Canada. India's highly skilled manpower pool is depleting. The migration of students and highly skilled professionals cause tremendous stress in the growth of the Indian economy. In the absence of skilled manpower in all the sectors of the economy, India faces a formidable shortage of manpower to facilitate the ever-expanding growth amid technological advancements. India as a fifth emerging economy of the world needs to focus on retention of students and highly skilled professionals. India must learn lessons from the developed world how to retain students and highly skilled professionals by upgrading infrastructure. There is also a need to focus on the creation of highly skilled jobs to retain skilled manpower in the country. However, the Government of India over the last few years initiated a few positive steps to retain students and highly skilled professionals, yet there is a significant gap in the formulation and implementations of the policies. This study tries to understand the root causes behind the migration of students and highly skilled professional from a new perspective and shall recommend the government of India some of the positive steps to be taken to retain the skilled manpower. It is, therefore, this study is significant in the larger interest of the country. The Indian government has to look at this matter in two ways. First, our talented youth is migrating which is known as a human capital loss. Second as high fees are paid to universities of Canada which is a capital outflow from our country. That is why it is a major challenging situation for the country like India how it will deal with the scarcity of the highly skilled. India also needs to formulate and implement some policies regarding retaining highly skilled professionals.

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