

Supporting the Labour Needs of Today and Tomorrow – Provincial Nominee Programs

Issue

While immigration is a federal matter, provinces and territories have received a growing role in the selection of immigrants over the past two decades by way of bilateral agreements with the federal government. These bilateral agreements create Provincial Nominee Programs (PNPs) under which each provincial government has an annual nomination limit for the selection of foreign applicants best suited for that specific province/territory. Such applicants, if nominated, are provided expedited processing of their work permit and permanent residency applications. In some provinces, such as B.C., the PNP allotments are continually over-subscribed, while in others it is under used. Further, the majority of settlement tends to be in large urban cores, which can lead to the stagnation/decline of rural areas and ongoing difficulty attracting workers to smaller centres.

Background

Two key factors will determine long-term growth in provincial economies: productivity performance, and the extent to which the labour force expands over time. The hurdles to achieving long-term growth include an ageing population, a low natural birth rate, and intense global competition for talent. For example, a 2016 report found that B.C. will need an extra 20,000 to 32,000 skilled workers annually between 2017 and 2025 to fill projected job vacancies. As the natural birth rate declines, increasingly employers must look to foreign sources to expand the talent pool.

Immigration, Refugees and Citizenship Canada (IRCC) handles large volumes of permanent and temporary resident applications across its extensive global processing network. The process of managing immigration files includes protecting the health, safety and security of Canadians. In collaboration with partners in the Public Safety portfolio as well as the Department of Justice and Health Canada, IRCC works to identify applicants who could pose security or health risks to Canadians.

Every foreign worker must obtain a work permit to legally work in Canada. The process by which a work permit is issued involves a complex employment confirmation scheme involving Employment and Social Development Canada (ESDC) and IRCC. As a general rule, an IRCC visa and immigration officer is not authorized to issue a work permit to a foreign worker unless, in the opinion of the officer, there are insufficient Canadians or permanent residents who can fill the potential position.

Involvement of ESDC is a convenient way for visa and immigration officers to determine whether the employment of the foreign worker is justified given current labour market conditions. With a confirmation of a valid job offer and a favourable opinion known as the "labour market impact assessment" (LMIA) from ESDC – provided security and medical qualifications have been met - the visa and immigration officer will then issue a work permit to the foreign worker. The process generally requires consultation with the employer and ESDC, national advertising and/or recruitment efforts, substantial documentary support and possible involvement of other government agencies.

IRCC manages the permanent entry of foreign workers under the category of Economic Class, including programs such as Federal Skilled Workers, Live-in Caregiver, and Provincial Nominee (PNP).

According to IRCC, the PNP has four main objectives:

1. Increase the economic benefits of immigration to provinces/territories based on their economic priorities and labour market conditions,
2. Distribute the benefits of immigration across all provinces/territories,
3. Enhance Federal-Provincial-Territorial collaboration, and
4. Encourage the development of official language minority communities.

Provincial/territorial governments are responsible for: designing their PNP program and establishing the program requirements, recruiting and nominating the immigrants who will apply to their PNP, and monitoring, evaluating and reporting on their PNP.

The nomination allocation often does not meet with program demand and provincial labour market needs. For example, B.C.'s nomination allocation has been increased upon request, being set at 3,800 for 2013, 4,150 for 2014, 5,800 for 2015 and 6,000 for 2016. The provincial government requested an allocation of 9,000 nominations from the federal government for 2017, and has been approved for 6,000.

Further, projects of strategic importance to Canada have the potential to create a large surge in applications to the program, as experienced skilled overseas workers apply to immigration programs like the PNP to both train and work alongside Canadian workers for the construction and operations of the projects.

This inability to expand the labour pool to sustain and grow economies creates a risk of long-term stagnation/decline for some communities. Three solutions help to align opportunities with applicants and to mitigating regional disparities.

1. Presently, not all provinces/territories are able to fully utilize their allocation. As has been done in the past, when it appears a full allocation may not be used, it makes practical sense that the forecasted unused allocation be transferred to another province/territory that is over-subscribed. This enables the provinces/territories and Canada to be responsive to global as well as regional conditions.
2. Provinces/territories already have innovative programs such as the provincial Health Match BC, which – through BC PNP - provides physicians and allied health care professionals with a direct and expedient route to obtain permanent residency status in Canada. There could be similar matching programs, such as for skilled technology workers, that could build on the momentum in key in-demand sectors and that can be distributed throughout the provinces/territories and Canada.
3. PNP applicants tend to cluster around high profile urban areas. For example, the vast majority of new immigrants in B.C. choose to live in the already capacity-stretched lower mainland. For example, since 2010, the Lower Mainland has received between 28,650 and 36,040 immigrants each year, while the rest of B.C. received between 2,906 and 2,283. Secondary migration is not specifically recorded, so it is unknown how mobile this population is over time. With such data, programs could be expanded/enhanced to attract applicants and/or landed immigrants to smaller centres in the province.

Recommendations

That the federal government work with provincial/territorial governments to:

1. Ensure PNPs' annual nomination limit is aligned with labour requirements,
2. Allow unused allocations to be transferred between provinces/territories,
3. Develop streams for other sectors, such as technology, engineering, and skilled trades,
4. Collect data on secondary migration patterns to support the attraction and mobility of immigrants to smaller centres throughout provinces/territories, and
5. Promote immigration in non-urban regions.