

2011



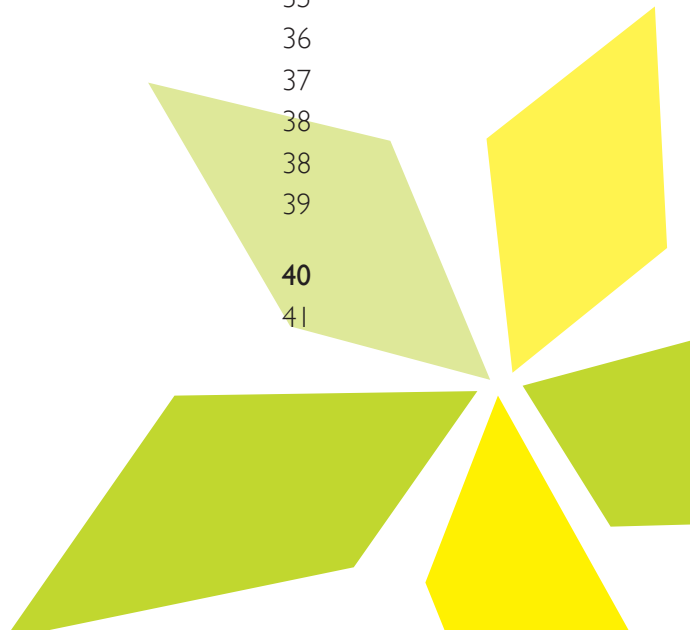
MINISTRY OF JOBS, TOURISM AND INNOVATION

BC PROVINCIAL NOMINEE PROGRAM  
EVALUATION REPORT



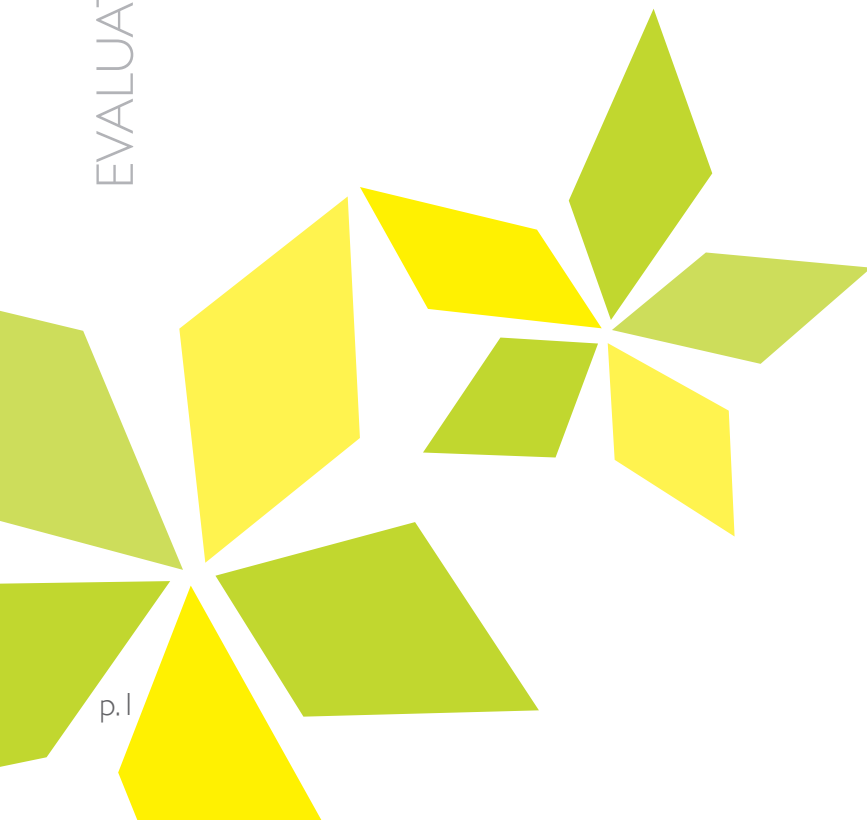
# CONTENTS

<b>Acknowledgments</b>	<b>1</b>
<b>Executive Summary</b>	<b>2</b>
<b>Introduction</b>	<b>8</b>
Program Background	8
Evaluation Purpose, Scope and Methods	9
<b>Relevance of the Program</b>	<b>11</b>
Alignment with Strategic Priorities of the Province	11
Complementarity with Federal Programs	12
<b>Program Outcomes with the Strategic Occupations Stream</b>	<b>14</b>
Total Nominations and Nominee Characteristics	15
Participation of Employers	18
Meeting the Skill Needs of Employers	19
Regional Benefits of the BC PNP	20
Retention of Nominees in British Columbia	21
Economic Success of Nominees	21
Retention of Nominees in Initial Jobs and Occupations	24
Influence on Nominees' Decisions to Live and Work in British Columbia	25
<b>Program Outcomes with the Business Stream</b>	<b>26</b>
Total Nominations and Nominee Characteristics	27
Economic Impacts	28
Sustainability of Business Ventures	30
Settlement and Quality of Life in British Columbia	30
<b>Program Design and Delivery</b>	<b>32</b>
Nominee and Employer Satisfaction with the BC PNP	33
Achievement of Annual Performance Targets	35
Program Cost and Efficiency	36
Growth of the Entry Level and Semi-Skilled Category	37
Business Fast Track Option	38
Reaching Nominees and Employers	38
Monitoring and Reporting	39
<b>Overall Conclusions and Recommendations</b>	<b>40</b>
Key Recommendations for Moving Forward	41



## ACKNOWLEDGMENTS

Grant Thornton LLP wishes to acknowledge the efforts of senior staff in the BC Ministry for Jobs, Tourism and Innovation, for their invaluable support over the conduct of this evaluation which concluded with this report in March, 2011. We also recognize the contributions of the sector associations, economic development groups and professional representatives who took part in a series of interviews. Finally, those nominees and employers who responded to the surveys should be acknowledged, for taking the time to share their experiences and views, which were indispensable to this evaluation.



# EXECUTIVE SUMMARY EVALUATION OF THE BC PROVINCIAL NOMINEE PROGRAM

## Program Background

The BC Provincial Nominee Program (“BC PNP”) was introduced in 2001 to increase the benefits of immigration to British Columbia by allowing the provincial government to nominate foreign workers and entrepreneurs for accelerated permanent resident status based on labour market and economic development needs and priorities.

The program’s **Strategic Occupations** stream targets skilled workers, international graduates and post-graduates, and select entry level and semi-skilled workers. This stream is designed to help employers in British Columbia meet skill needs that they are challenged to address through local recruitment, and to help meet the province’s longer term labour market priorities and requirements.

The **Business** stream targets entrepreneurs with the ability to develop and manage a business venture that will provide economic benefits to British Columbia.

The BC PNP has operated under successive immigration agreements with the Federal government. It is currently delivered on behalf of the provincial government by the Ministry of Jobs, Tourism and Innovation (“Ministry”), which commissioned this evaluation.

## Purpose and Scope of the Evaluation

The purpose of this evaluation is to fulfill the Province’s obligations to evaluate the BC PNP under the 2010 Canada-BC Immigration Agreement, to provide accountability to internal and external stakeholders, and to inform the future development of the program.

The specific objectives for the evaluation were to assess the BC PNP’s performance in terms of its relevance and alignment with government’s strategic priorities, its outcomes, and at a high level, program design and delivery. The BC PNP’s financial and operational performance, and the program’s marketing outreach activities are examined briefly, but are not a focus of this evaluation.

The timeframe for the evaluation covers the period from January 1st, 2005 to June 30th, 2010. The evaluation was supported by surveys of nominees and employers as well as interviews with key stakeholder organizations, together with a review of program documentation, analysis of statistical information from program databases, and secondary research.



## Relevance of the Program

***The BC PNP is strongly aligned with the broader strategic priorities of the province.*** The BC PNP has played a key role in the Province's labour market and regional economic development strategies since it was launched in 2001, and is a key element in the recently released ten-year Skills for Growth strategy, a top priority for the provincial government.

***The BC PNP complements Federal economic immigration programs.*** The BC PNP has shown itself to be a more flexible and responsive vehicle in meeting the labour market needs of the province and individual employers compared with federal economic immigration programs. Between 2005 and 2009, principal applicant admissions through the Federal Skilled Worker program declined by 45%, and despite an increase in 2010, British Columbia continues to rely on the BC PNP to help meet specific needs and priorities. The BC PNP is clearly differentiated from the Federal Skilled Worker program, as well as the Canadian Experience Class and the federal Entrepreneur Program, by its focus on specific labour market and regional needs, and by the program's requirements.

## Program Outcomes – Strategic Occupations Stream

***The BC PNP is helping employers meet their skills needs.*** From 2005 to mid-2010, the program nominated almost 10,000 workers who are employed by over 4,600 employers. Seventy eight percent (78%) of employers surveyed reported that they had used the BC PNP to secure workers for hard-to-fill vacancies, and 84% noted that nominees had met or exceeded their performance expectations. Further, 45% of surveyed employers said they would be using the program again within the next 12 to 18 months to hire or retain workers.

***The BC PNP is benefitting regions across the province.*** At the time of nomination, 25% of nominees settled outside of the Metro Vancouver region of the province, and survey results suggest that over time, there is further migration of nominees out of the Mainland Southwest region (which includes Metro Vancouver). In comparison only 10% of Federal Skilled Worker immigrants arriving in British Columbia are destined for communities outside of the Metro Vancouver region.

***Nominees are remaining in British Columbia.*** In total, 94% of nominees surveyed continue to live within the province, and 86% of nominees remain in the community where they lived or planned to live at the time of nomination.

***Nominated workers are establishing themselves in the province.*** Ninety four percent (94%) of nominees surveyed were working full time including self-employed. BC PNP Skilled Workers reported an average annual pre-tax income of approximately \$88,200 for the 2009 tax year. This compares with an average income of \$64,000 among Federal Skilled Worker immigrants in full-time employment based on a national survey carried out by the federal government in 2009.

There is a potential issue regarding the incidence of low incomes among some nominee families. Based on the survey findings, 2% of families associated with BC PNP Skilled Workers and 7% of those related with Entry Level and Semi-Skilled nominees had incomes that did not meet Statistics Canada's Low Income Cut Off ("LICO"). By comparison, in 2008, about 11% of all families in British Columbia had incomes below the LICO.

**Nominees are continuing to work in occupations and sectors where skill shortages have been identified.** Eighty seven percent (87%) of surveyed nominees were still working in the same occupation as when they were nominated, and 77% were employed in the same position with their original employer.

**The BC PNP is directly impacting nominees' decisions to live and work in the province.** While the majority of nominees in the Strategic Occupations stream were already in British Columbia at the time of nomination on a temporary basis, 58% of those surveyed stated that the program had positively influenced their decision to live and work in the province as a permanent resident.

## Program Outcomes – Business Stream

**The economic impacts of the BC PNP's Business stream are substantial.** Program data show that from 2005 to mid-2010, 203 entrepreneurs nominated through the Business stream of the BC PNP have invested over \$423 million into the provincial economy and created over 1,100 jobs.

The Regional Business component of the program has proved attractive to foreign entrepreneurs, accounting for around 70% of all nominees. While the investment and job creation requirements for this category are lower than for the Business Skills or Strategic Projects categories, 57% of the total investment made and 55% of jobs created by Business nominees are outside of the Metro Vancouver and Abbotsford areas.

**The majority of business ventures developed by nominees are demonstrating sustainability.** The survey of entrepreneurs found that 68% were still actively involved in the business for which they were nominated, and that these businesses have grown. Excluding outlier values, each of these nominees had on average invested an additional \$498,000, following the year of nomination. In addition, their annual business revenue increased from an average of \$322,400 at the time of nomination to \$589,500 in 2009.

Of those entrepreneurs surveyed who reported no longer being involved in the management of their company, 13% indicated that they had shut down the business, and 38% were self-employed.

**Entrepreneurs are remaining in British Columbia.** The vast majority (93%) of those entrepreneurs surveyed are still living in British Columbia, and 75% have purchased a home in the province.

**The BC PNP is strongly influencing Business nominees' decisions to locate in British Columbia.** Eighty three percent (83%) of entrepreneurs surveyed stated that the BC PNP had significantly influenced their decision to live and to develop a business in British Columbia.

## Program Design and Delivery

***Nominees and employers are generally satisfied with the BC PNP's service quality and program requirements.*** The majority of nominees in the Strategic Occupations stream expressed satisfaction with the application process and requirements (77%), processing times (69%), program information (78%), and responsiveness of program staff (71%). Employers were somewhat less satisfied with service quality, especially with program requirements and the application process (64%), and staff responsiveness (63%).

Ninety eight percent (98%) of nominees in this stream, and 81% of employers, said they would recommend the BC PNP to others.

The majority of Business nominees reported satisfaction with the responsiveness of BC PNP staff (75%), program information (69%), and the reasonableness of overall program requirements (90%). Fewer were satisfied with the program's application fees (65%), the reasonableness of job creation and personal net worth requirements (63%), and the time taken to fill out the program application (56%). Eighty percent (80%) said they would recommend the BC PNP to others.

***The BC PNP is meeting its annual performance targets.*** Annual Service Plan reports show that the program has met the annual fiscal year target for approvals in the Strategic Occupations stream in each of the past three years, and for the Business stream in two of the past three years. In 2010, the federal government introduced nomination quotas nationally for provincial nominee programs with the BC PNP meeting its 2010 cap of 3,500 nominations.

***The BC PNP recovers a high percentage of its operating costs.*** The BC PNP recovered 84% of its gross expenditures for the 2007/08 – 2009/10 fiscal years through application fees, and interest earned on performance bonds provided by Business applicants choosing the Fast Track nomination process.

***The BC PNP continues to improve its efficiency in response to rapidly increasing application volumes.*** The program received less than 600 applications in 2005 and expects to receive approximately 4,200 in 2010 (i.e., 2,088 were received in the first six months of 2010). Processing times averaged ten weeks over the period 2005 to mid-2010, but there is a perception among some stakeholders that the time taken to process applications is growing. To enhance efficiency, the program reports initiating a number of recent improvements to streamline application processes, and that it expects to hire additional staff in 2011.

***The rapid growth of the Entry Level and Semi-Skilled category has important program policy implications.*** Nominations in this pilot category, introduced in 2008 for select lower skill occupations facing labour market pressures, accounted for close to a third of all nominations in the Strategic Occupations stream over the last two years. A large percentage of these Entry Level and Semi-Skilled nominees have post-secondary credentials, which suggests that they are currently under-employed and may later move into more highly-skilled positions. In the absence of knowing these longer term nominee outcomes, it is unclear to what extent the pilot is consistent with the anticipated longer term need for highly skilled workers in British Columbia.

***The Fast Track Option is showing mixed results.*** Introduced in 2007, uptake of the Fast Track Option has been relatively low among Regional Business applicants. Program data indicate that while entrepreneurs in the Business Skills category pursuing the Fast Track Option have a similar net worth relative to nominees taking the Regular Track nomination route, they are investing significantly less on average in their business. At the same time, nominees choosing the Regional Business category in the Fast Track have a significantly higher net worth than Regular Track nominees, but are investing only about the same amount in their business. As a result, it is not clear whether the Fast Track option is attracting the type of entrepreneur intended or whether it is effectively promoting investment into areas outside of the Metro Vancouver and Abbotsford areas.

## Overall Conclusions

This evaluation shows that the BC PNP is increasing the benefits of immigration to British Columbia, responding to labour market needs from both a regional and provincial perspective. With a projected 1.1 million job openings in British Columbia over the next decade, and the anticipated reliance on skilled people from outside of the province to fill up to one third of these positions, British Columbia's ability to attract and retain skilled immigrants remains vital.

While there is some overlap with certain federal economic immigration programs (the Federal Skilled Worker program, the Canadian Experience Class, and federal Entrepreneur Program), the BC PNP's focus on meeting specific regional labour market and economic development needs along with priorities clearly differentiates it from these programs, and highlights its continuing relevance.

There are, however, some key issues that need to be addressed to ensure the program's on-going effectiveness:

- There is potential to engage more regional employers, and to focus further on regional priorities such as small business succession, in partnership with economic development groups and other agencies.
- The incidence of low family incomes associated with nominees in both the Entry Level and Semi-Skilled and Skilled Workers categories requires further investigation to better define the risks to the achievement of economic success by these nominees.
- The finding that 68% of nominated entrepreneurs remain actively involved in their company is not conclusive of economic success. Further work is required to track the outcomes for these nominees and their success relative to other entrepreneurs in British Columbia.
- The role of the Entry Level and Semi-Skilled pilot needs to be re-examined in light of the province's projected future need for mainly skilled workers, and in consideration of whether nominees with higher education in this category can move into more skilled occupations.
- The Business stream's Fast Track option should be examined to see if it is attracting the type of entrepreneur intended and effectively promoting investment into areas outside of the Metro Vancouver and Abbotsford areas.
- Currently, the BC PNP monitors and reports regularly on primarily activity-based measures, such as applications received and processed. Combined with issues of data availability and reliability found in the conduct of the evaluation, more effort is needed to strengthen the program databases and the reporting on performance to better support program management needs and demonstrate results.



## Key Recommendations for Moving Forward

The following recommendations to enhance the BC PNP's performance and meet accountability requirements are put forward for the Ministry's consideration:

- Review the role of the Entry Level and Semi-Skilled pilot category in relation to the province's longer-term priority need for highly educated, skilled workers.
- Investigate in more detail the incidence of low family incomes among BC PNP Skilled Workers as well as Entry Level and Semi-Skilled workers to assess the longer-term risks to their success in becoming economically established. Also, assess the suitability of Statistic Canada's LICO as a low income threshold measure and criterion for nomination.
- In cooperation with stakeholders and partners, develop strategies to:
  - a) *Increase regional employers' participation in the program, and enhance support for regional economic development priorities such as small business succession.*
  - b) *Encourage investment into a broader range of business sectors throughout the province.*
- Closely monitor the growth and performance of the Fast Track Option for entrepreneurs with regard to its economic and regional impact compared with that of the Regular Track component of the program's Business categories.
- Explore options to match fees with applicant's desired processing times.
- Implement a formal continuous improvement program to reduce processing times and streamline the application process.
- Improve the quality of program data and develop key performance indicators to provide timely, accurate and relevant information on the results of the program.



# INTRODUCTION

## Program Background

The British Columbia Provincial Nominee Program (“BC PNP”) is an economic immigration program under the 2010 *Canada - British Columbia Immigration Agreement*. Introduced in 2001, the BC PNP allows the provincial government through the BC Ministry of Jobs, Tourism and Innovation (“Ministry”) to nominate foreign workers and entrepreneurs for accelerated permanent residence status based on labour market and economic needs. The federal government, through Citizenship and Immigration Canada (“CIC”), retains sole responsibility for the final selection of nominees, determining their admissibility to Canada, and issuing permanent resident visas.

There are two streams to the BC PNP:

1. The **Strategic Occupations** stream targets skilled workers, international graduates and post-graduates, and select entry level and semi-skilled workers. It assists employers in British Columbia facing skills shortages, and helps meet the province’s longer term skills needs. With the exception of a pilot stream for international science and engineering post-graduates, applicants must have an employment offer of indeterminate length from a British Columbia based employer. The program can assist nominees in obtaining a temporary work permit to enter or remain in British Columbia while waiting processing of their permanent resident visa. There is a \$550 process fee to help offset program operating costs.
2. The **Business** stream is focused on entrepreneurs with the ability to develop and manage a business venture that contributes to the province’s economic development. There are three categories in this stream: Business Skills, Regional Business, and Strategic Projects. Each of these categories has specific requirements for the applicant’s personal net worth, amount of investment, location of the planned business venture, and the number of jobs to be created for Canadians or permanent residents.

Business applicants are approved initially as candidates for nomination, and are required to sign a Performance Agreement with the BC PNP. Candidates in the Business Skills and Regional Business categories may choose either the Regular Track for nomination, or the Fast Track Option. Regular Track candidates enter British Columbia on a two-year federal work permit and are nominated upon fulfilling the obligations of their Performance Agreement. Fast Track candidates must also enter initially on a work permit, but obtain immediate nomination by depositing a \$125,000 conditionally refundable performance bond with the Province that is refunded when they fulfill the obligations of their Performance Agreement. The Fast Track Option is not available to candidates in the Strategic Projects category. There is a \$3,000 processing fee for the principal applicant and a \$1,000 fee for each key staff member applying concurrently for nomination (limited to one in the Business Skills category, and four in the Strategic Projects category), to help defray program operating costs. Key staff are not eligible for the Fast Track Option.



## Evaluation Purpose, Scope and Methods

The purpose of this evaluation is to fulfill the Province's obligations to evaluate the BC PNP under the 2010 Canada - British Columbia Immigration Agreement, to provide accountability to internal and external stakeholders, and to inform the future development of the program. This is timely as there have been no recent evaluations of the program.<sup>1</sup>

### *BC PNP Evaluation Objectives*

To assess program performance over the period of January 1, 2005 to June 30, 2010 in terms of:

**Outcomes** of the program according to each of the two streams, Strategic Occupation and Business, along with any results that may not have been anticipated.

**Design and delivery** of the program with an emphasis on participant experiences as well as monitoring and reporting of performance.

**Relevance** of the program, including its alignment with the strategic directions and priorities of government combined with the meeting of labour market needs.

**Overall value** of the program, in consideration of the costs relative to the results that are being demonstrated.

#### **Out of Scope**

- Review of financial and operational program delivery including quality assurance and controls.
- Assessment of program marketing and outreach.

This evaluation draws on the following sources of information:

### *Direct Surveys*

- 3,367 workers nominated through the Strategic Occupations stream were approached to participate in a web survey. A total of 1,412 surveys were completed, equating to a 42% response rate. The respondent profile closely matched that of all nominees across salary, age, gender and occupation types for the program as a whole.
- 1,654 employers who had hired nominees were contacted to participate in a web survey with 371 (22%) complete responses being received. The survey population closely matched the total population in terms of industry sectors, but over-represents employers that have hired two to five nominees and under-represents those having hired only one employee.

1. An "Evaluation of Business Categories" for the BC PNP was completed in March of 2006, and the most recent evaluation of the Strategic Occupations stream dates back to August of 2003.

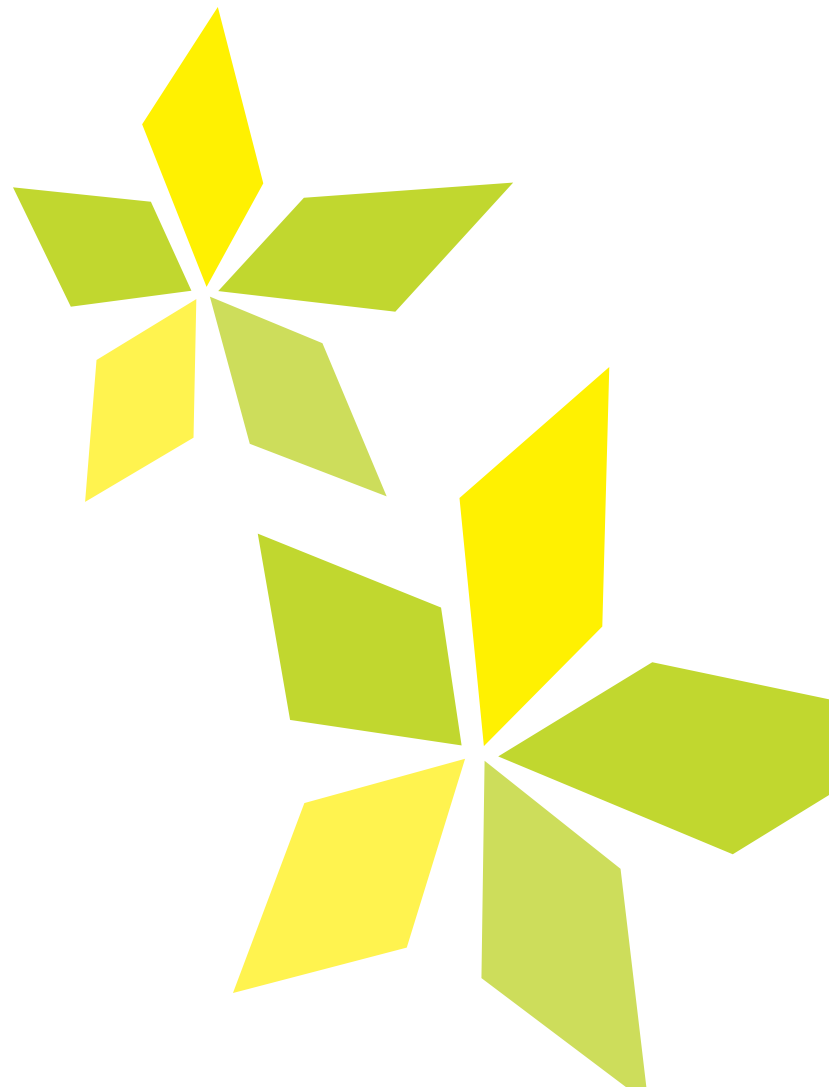
- 64 business entrepreneurs were approached to participate in either a web or telephone survey, with the end result of 40 (63%) responses.

**Interviews** were conducted in-person and over the telephone with 18 stakeholders representing immigration consultants, lawyers, sector associations, economic development organizations, and advisory groups.

**File reviews** of existing evaluations and analyses were used to compare performance between BC PNP immigrants and those coming through federal economic immigration programs such as the Foreign Skilled Worker program, as well as the overall population of immigrants and the labour force in general.

There are some limitations to the evaluation that should be noted:

- The sample of nominated entrepreneurs is not truly representative due to the incomplete contact information available for the total population of nominees in the Business stream.
- The information currently captured through the BC PNP databases is of more limited use than anticipated during the planning phase of the evaluation, and the longitudinal analysis of income for nominees and other economic immigrants residing in British Columbia only extends to 2006, the most recent year for which tax-filer data was available.



## RELEVANCE OF THE PROGRAM

### GENERAL CONCLUSIONS

**The BC PNP is strongly aligned with the broader strategic priorities of the province.** The BC PNP has played a key role in the Province's labour market and regional economic development strategies since it was launched in 2001, and is a key element in the recently released ten-year Skills for Growth strategy, a top priority for the provincial government.

**The BC PNP complements Federal economic immigration programs.** The BC PNP has shown itself to be a more flexible and responsive vehicle in meeting the labour market needs of the province and individual employers compared with federal economic immigration programs. Between 2005 and 2009, principal applicant admissions through the Federal Skilled Worker program declined by 45%, and despite an increase in 2010, British Columbia continues to rely on the BC PNP to help meet specific needs and priorities. The BC PNP is clearly differentiated from the Federal Skilled Worker program, as well as the Canadian Experience Class and the federal Entrepreneur program, by its focus on specific labour market and regional needs, and by the program's requirements.

### Alignment with Strategic Priorities of the Province

The primary intention of the BC PNP, as stated in the *2010 Canada-British Columbia Immigration Agreement* and the previous 2004 agreement, is to maintain and strengthen the program as a mechanism to increase the benefits of immigration to British Columbia based on economic priorities and labour market conditions.<sup>2</sup>

The program is currently tied to the Province's *Skills for Growth – British Columbia's Labour Market Strategy to 2020*, and is identified as a key element in meeting one of the strategy's key priorities:

*Attract workers and entrepreneurs from outside the province who meet British Columbia's regional economic needs.*

The *Skills for Growth* strategy projects 1.1 million job openings resulting from economic growth and retirements for the period of 2009 to 2019, and that new immigrants will be needed to fill one-third of all job openings. The strategy notes that:

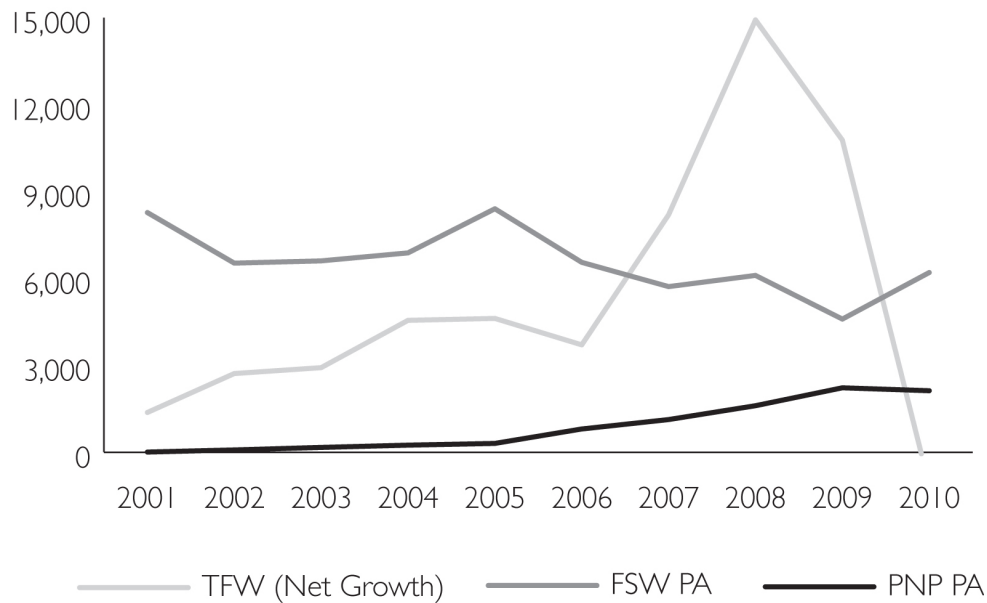
*A priority for British Columbia is to work with the federal immigration system to ensure the inflow of skilled workers, permanent or temporary, is responsive to the needs of the Province. British Columbia's Provincial Nominee Program provides an example of a more responsive approach to economic immigration where employers sponsor workers in occupations experiencing confirmed shortages and receive expedited immigration processing.*

The BC PNP is also aligned with the various service plan goals and strategies of the ministries responsible for labour market development.

## Complementarity with Federal Programs

The BC PNP aims to be a labour market responsive approach to economic immigration, where employers support the application of foreign workers in occupations experiencing confirmed shortages, and entrepreneurs can apply, in order to expedite immigration processes.<sup>3</sup> The program is identified by employers, immigration consultants and lawyers as a preferred vehicle for facilitating the permanent immigration of foreign workers and entrepreneurs.

**Exhibit 1: Trends in Principal Applicants (Provincial Nominee and Federal Skilled Worker) and Temporary Foreign Workers**



Data Source: Citizenship and Immigration Canada

The most similar federal immigration alternative to the Strategic Occupations stream of the BC PNP is the component of the Federal Skilled Worker program for applicants with an Arranged Employment Opinion (“AEO”). While this component of the Federal Skilled Worker program is somewhat responsive to the labour market, it has limitations compared with the BC PNP:

- The AEO does not provide for early entry on a work permit pending permanent resident visa processing which forces employers to wait a longer period for the employee to begin working for them.
- The federal government’s ability to authenticate the AEO is a challenge that has been identified in the evaluation of the Federal Skilled Worker program, and refusal rates for Federal Skilled Worker applications with AEOs are as high as 70% for some source countries.
- In the absence of an AEO, the Federal Skilled Worker program does not specifically direct foreign workers to regions and in response to specific labour market needs in British Columbia.

3. Ministry of Regional Economic and Skills Development (2010) *Skills for Growth – British Columbia’s Labour Market Strategy to 2020*, p.17

Between 2005 and 2009, the number of Federal Skilled Workers destined for British Columbia fell by 45%, from 8,406 to 4,599 principal applicants. While this drop was reversed in 2010 with 6,206 admissions, this stream will not necessarily meet the province's current or projected labour market demands, or effectively respond to specific regional needs within the province. Over the past decade, the province has become increasingly reliant on the BC PNP and the federal Temporary Foreign Worker ("TFW") program to meet these needs.

British Columbia's growing reliance on the TFW program presents challenges. New limits on the number of times that a temporary work permit can be extended, coupled with the shorter duration of the Labour Market Opinions, are increasing the administrative burden on employers and reducing their ability to retain foreign workers. These changes have also reduced the stock of some skill sets that employers have historically drawn upon through the BC PNP. For example, from 2009 to 2010 the stock of TFWs in Entry Level and Semi-Skilled eligible occupations declined from 5,728 to 3,134, representing a 45% reduction.<sup>4</sup>

The BC PNP's recently introduced category for post-graduates in sciences and engineering, which does not have a job offer requirement, has some overlap with the Canadian Experience Class, but is differentiated from this federal program by its focus on retaining highly-educated individuals in fields which the Province has identified as priorities (i.e., masters and doctorate graduates in the natural, applied and health sciences).

While the Business stream of the BC PNP and the federal Entrepreneur Program both target prospective business immigrants, they have different requirements. Unlike the federal program, the BC PNP's Business stream has minimum investment requirements, and has a specific category for entrepreneurs locating their business outside of the Metro Vancouver and Abbotsford areas.

4. Citizenship and Immigration Canada ("CIC") data as provided by the Ministry.

## PROGRAM OUTCOMES WITH THE STRATEGIC OCCUPATIONS STREAM

### GENERAL CONCLUSIONS

**The BC PNP is helping employers meet their skills needs.** From 2005 to mid-2010, the program has nominated almost 10,000 workers who are employed by over 4,600 employers. Seventy eight percent (78%) of employers surveyed reported that they had used the BC PNP to secure workers for hard-to-fill vacancies, and 84% noted that nominees had met or exceeded their performance expectations. Further, 45% of surveyed employers said they would be using the program again within the next 12 to 18 months to hire or retain workers.

**The BC PNP is benefitting regions across the province.** At the time of nomination, 25% of nominees settled outside of the Metro Vancouver region of the province, and survey results suggest that over time, there is further migration of nominees out of the Mainland Southwest region (which includes Metro Vancouver). In comparison only 10% of Federal Skilled Worker immigrants arriving in British Columbia are destined for communities outside of the Metro Vancouver region.

**Nominees are remaining in British Columbia.** In total, 94% of nominees surveyed continue to live within the province, and 86% of nominees remain in the community where they lived or planned to live at the time of nomination.

**Nominated workers are establishing themselves in the province.** Ninety four percent (94%) of nominees surveyed were working full time including self-employed. BC PNP Skilled Workers reported an average annual pre-tax income of approximately \$88,200 for the 2009 tax year. This compares with an average income of \$64,000 among Federal Skilled Worker immigrants in full-time employment based on a national survey carried out by the federal government in 2009.

There is a potential issue regarding the incidence of low incomes among some nominee families. Based on the survey findings, 2% of families associated with BC PNP Skilled Workers and 7% of those related with Entry Level and Semi-Skilled nominees had incomes that did not meet Statistics Canada's Low Income Cut Off (LICO). By comparison, in 2008, about 11% of all families in British Columbia had incomes below the LICO.

**Nominees are continuing to work in occupations and sectors where skill shortages have been identified.** Eighty seven percent (87%) of surveyed nominees were still working in the same occupation as when they were nominated, and 77% were employed in the same position with their original employer.

**The BC PNP is directly impacting nominees' decisions to live and work in the province.** While the majority of nominees in the Strategic Occupations stream were already in British Columbia at the time of nomination on a temporary basis, 58% of those surveyed stated that the program had positively influenced their decision to live and work in the province as a permanent resident.

## Total Nominations and Characteristics of Nominees

Between 2005 and mid-2010, program data shows a total of 9,963 workers who were nominated through the BC PNP's Strategic Occupations stream.<sup>5</sup> Skilled Workers accounted for 78% of nominees; Entry-Level and Semi-Skilled accounted for 13%; and International Graduates, 9%.

**Citizenship:** The United Kingdom, the Philippines, and China are the most frequent countries of citizenship and together account for 39% of all nominees.

### Exhibit 2: Citizenship of Worker Nominees by Year of Application

COUNTRY OF CITIZENSHIP	PERCENT BY COUNTRY OF CITIZENSHIP			TOTAL APPLICANTS NOMINATED	
	Entry Level-Semi-Skilled	International Graduates	Skilled Workers	Number	Percent
United Kingdom	2%	2%	21%	1,660	17%
China	4%	60%	7%	1,111	11%
Philippines	42%	1%	7%	1,092	11%
United States	0%	1%	11%	833	8%
Korea	12%	6%	6%	706	7%
India	9%	5%	6%	596	6%
Germany	1%	1%	6%	493	5%
Japan	9%	2%	4%	426	4%
South Africa	0%	0%	4%	287	3%
Australia	1%	0%	3%	271	3%
Mexico	6%	1%	2%	254	3%
New Zealand	0%	0%	2%	163	2%
Ireland	0%	0%	2%	161	2%
France	0%	0%	2%	138	1%
Israel	0%	0%	1%	79	1%
Other	14%	21%	17%	1,693	17%
<b>Total Applicants</b>	<b>1,254</b>	<b>916</b>	<b>7,793</b>	<b>9,963</b>	<b>100%</b>

Data Source: PNP Database; Data extraction performed by the Ministry



**Age:** At the time of nomination, the average age of applicants was 35. International students were younger with an average age of 27, and Entry-Level and Semi-Skilled nominees had an average of 31 years.

**Gender:** A total of 68% of nominees were male and 32% were female. The split between genders is almost equal for all streams except for Skilled Workers where 73% were male.

**Language Proficiency:** Based on program statistics, 96% of applicants self-reported being proficient in English, and 8% reported being fluent in French. In comparison, 85% of Federal Skilled Worker immigrants surveyed in 2009 were reported to be proficient in English, and 1% proficient in French; 11% were found to be proficient in both French and English.<sup>6</sup>

### Exhibit 3: Age, Gender and Language Proficiency

	AVERAGE AGE	MALE	FEMALE	FLUENT IN ENGLISH
Entry Level Semi-Skilled	31	53%	47%	99%
International Graduates	27	51%	48%	98%
Skilled Workers	36	73%	27%	95%
<b>All Categories</b>	<b>35</b>	<b>68%</b>	<b>32%</b>	<b>96%</b>

Data Source: PNP Database; Data extraction performed by the Ministry

**Destination:** While the majority of nominees surveyed (75%) were destined for the Mainland-Southwest region, a significant proportion were destined for the Vancouver Island and Coast Region (9%) and the Thompson Okanagan Region (8%).

As shown in Exhibit 4, this proportion varies by program stream. A larger percentage of International Graduates are locating to the Mainland-Southwest. Fewer Entry-Level and Semi-Skilled nominees were destined for the Mainland-Southwest and greater numbers are locating to northern and interior regions of the province.

**Education Levels:** On average, 58% of nominees have completed a Bachelor degree, Master's degree or a doctorate. Another 29% have some other post-secondary credential.

At the time of nomination, 84% of International Graduates held a university degree.

Entry-Level and Semi-Skilled nominees tended to have lower levels of education (i.e., 26% with secondary school or less). At the same time, 45% had completed a Bachelor degree and 27% had finished a formal trade certificate program or a non-university certificate or diploma program. This suggests that many nominees in this category may possess a higher skill level than is required to do the job they were nominated for.<sup>7</sup>

6. Citizenship and Immigration Canada (August 2010), *Evaluation of the Federal Skilled Worker Program*.

7. The occupations in this category fall under Skill Levels C and D of the National Occupational Classification ("NOC"). The NOC identifies four occupational skill categories based on commonly accepted educational, training or preparatory routes for entering employment. Skill Level C refers to occupations requiring either one to four years of secondary school education, or up to two years of on-the-job training, training courses or specific work experience. Skill Level D is defined as short work demonstration or on-the-job training, with no formal education requirements.

#### Exhibit 4: Destination of Worker Nominees by Development Region

Economic Development Region	PERCENT OF NOMINATIONS			
	Entry-Level Semi-Skilled	International Graduates	Skilled Workers	Overall
Cariboo	2%	1%	2%	2%
Kootenay	4%	1%	2%	2%
Mainland/Southwest	67%	80%	75%	75%
Nechako	0%	0%	0%	0%
North Coast	0%	0%	0%	0%
Northeast	7%	0%	1%	2%
Thompson Okanagan	11%	6%	8%	8%
Vancouver Island/Coast	9%	10%	9%	9%
Out of Province Head Office for Employer	1%	1%	2%	1%
<b>Total Nominations</b>	<b>1,254</b>	<b>916</b>	<b>7,793</b>	<b>9,963</b>

Note: Destination is based on the location of the employer.  
Data Source: PNP Database; Data extraction performed by the Ministry

#### Exhibit 5: Breakdown of Worker Nominees by Highest Level of Education Attained

Education Level	PERCENT OF NOMINATIONS			
	Entry-Level Semi-Skilled	International Graduates	Skilled Workers	Overall
Secondary level or less	26%	1%	11%	12%
Formal trade certificate	5%	1%	13%	11%
Non-university certificate or diploma	22%	13%	17%	18%
Some university, no degree	1%	0%	0%	0%
Bachelor degree	45%	67%	36%	40%
Post-graduate study, no degree	0%	0%	0%	0%
Ph.D.	0%	0%	9%	7%
Master's degree	1%	17%	13%	11%
<b>Total Number of Nominees</b>	<b>1,254</b>	<b>916</b>	<b>7,793</b>	<b>9,963</b>

Data Source: PNP Database; Data extraction performed by the Ministry

## Participation of Employers

Between 2005 and mid-2010, over 4,600 businesses had participated in the Strategic Occupations stream of the BC PNP, representing a broad range of British Columbia's sectors as shown in Exhibit 6.

The Tourism and Hospitality sector accounted for the largest share of both businesses and nominees. The Health Care and Construction sectors had the second and third largest share of nominees respectively.

Companies and organizations that have hired only one nominee account for 70% of all employers, and 30% of total nominees. Larger users of the program (i.e., those employers that have hired 21 or more nominees over the course of the program) represent less than 1% of all employers, but account for 25% of total nominees. These larger employers are reportedly public sector health organizations, post-secondary institutions, construction firms and information technology/digital media companies. While the BC PNP appears to be reaching a relatively large number of smaller employers, large organizations have also developed a major stake in the program.

### *Exhibit 6: Distribution of Nominees by Sector*

SECTOR	PERCENT OF BUSINESSES	PERCENT OF NOMINEES
Aerospace	0.6%	0.7%
Agriculture and Food Processing	2.6%	2.6%
Architectural, Engineering and Related	5.7%	4.9%
Computer Systems Design and Related	7.6%	8.6%
Construction	11.8%	12.2%
Educational Services	3.7%	7.0%
Finance, Insurance and Real Estate	3.7%	2.7%
Health Care	4.4%	14.6%
Information and Cultural Industries	3.3%	2.3%
Life Sciences	1.4%	1.0%
Manufacturing	7.8%	6.0%
Mining	1.2%	0.8%
Other Professional, Scientific and Technical Services	5.0%	4.1%
Public Administration	0.7%	0.5%
Retail Trade	5.9%	3.7%
Tourism and Hospitality	29.0%	24.7%
Transportation and Warehousing	3.4%	2.3%
<b>Other</b>	<b>2.0%</b>	<b>1.3%</b>

*Note: Businesses may be identified in more than one sector (sector descriptors as provided in the PNP database).*

*Data Source: PNP Database; Data extraction performed by the Ministry*

**Exhibit 7: Distribution of Applicants by Employer**

NOMINEES HIRED PER EMPLOYER	NUMBER OF EMPLOYERS	NUMBER OF NOMINEES	PERCENTAGE OF APPLICANTS
1	3,032	3,032	30%
2 to 5	1,136	2,967	30%
6 to 20	157	1,497	15%
21+	34	2,465	25%
<b>Total</b>	<b>4,359</b>	<b>9,963</b>	<b>100%</b>

Data Source: Program Database (2011); Data extraction performed by the Ministry. Note: Numbers are smaller than reported elsewhere as certain employers are not uniquely identified in the database.

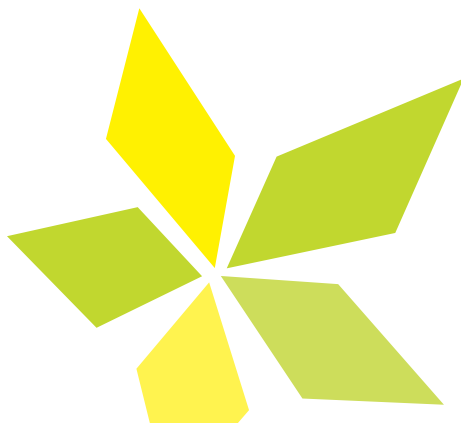
**Meeting the Skill Needs of Employers**

Employers identified a number of benefits that they have realized by participating in the BC PNP. Seventy-eight percent (78%) of those surveyed felt that the vacancies that were filled through the BC PNP would have been difficult to fill otherwise, and 84% felt that nominees have had a positive impact on their business and its performance. Forty-five percent (45%) of employers indicated that they would be looking to the BC PNP to help fill anticipated vacancies in the next 12 to 18 months.

**Exhibit 8: Impact of Worker Nominees on the Business**

SURVEY QUESTION Q14: PLEASE INDICATE THE EXTENT TO WHICH YOU AGREE OR DISAGREE...? (TOTAL, N=371)	1 – Strongly disagree	2	3	4	5 – Strongly agree	Top Ratings (4,5)	Mean Rating
Having access to foreign workers through the PNP allows your organization to effectively fill vacancies that otherwise would be difficult to fill	3%	6%	13%	22%	55%	78%	4.2
The foreign workers your organization has hired under the PNP have had a positive impact on your business results and outcomes	4%	4%	9%	27%	56%	84%	4.3
In the next 12 to 18 months, your organization plans to hire and will be looking to the PNP to help fill vacancies	16%	16%	23%	17%	28%	45%	3.2

Data Source: BC PNP evaluation – nominee surveys



## Regional Benefits of the BC PNP

As shown in Exhibit 9, a greater percentage of BC PNP nominees are destined for regions outside of Metro Vancouver compared to federally-selected economic immigrants. According to Citizenship and Immigration Canada data, at time of landing approximately 25% of nominees were destined for communities outside of Metro Vancouver, compared to 10% of Federal Skilled Worker and only 6% of Federal Business immigrants.

The survey of nominees suggests that over time there may be some migration out of the Mainland Southwest region (which includes Metro Vancouver) to other parts of British Columbia. As indicated in Exhibit 10, the current distribution of BC PNP nominees mirrors that of the total labour force in the province with a total of 64% residing in the Mainland-Southwest region. While any such migration over time would likely also apply to other economic immigrants, the data suggests that the BC PNP is a more effective mechanism for responding to regional labour market needs.

### Exhibit 9: Settlement Patterns – Comparing the BC PNP to other Immigration Programs for 2005-2009

	BC PROVINCIAL NOMINEES (P.A.)	FEDERAL SKILLED WORKERS (P.A.*)	FEDERAL BUSINESS CLASS (P.A.)**
Metro Vancouver	75%	90%	94%
Rest of B.C.	25%	10%	6%
<b>Total Number</b>	<b>6,086</b>	<b>31,388</b>	<b>8,344</b>

*Note: The total number of nominees identified here is derived from CIC data and will not correspond to totals presented elsewhere in this report which have been derived from Ministry data.*

\* Principal Applicants; \*\*Federal Business Class includes entrepreneurs,

### Exhibit 10: Survey of Strategic Occupations Nominees – Current Location by Development Region

	Entry Level – Semi-skilled	International Graduates	Skilled Workers	Total	Total BC Labour Force by Development Region
1 – Vancouver Island-Coast	40%	11%	16%	20%	17%
2 – Mainland Southwest	33%	83%	69%	64%	62%
3 – Thompson Okanagan	11%	6%	9%	9%	7%
4 – Kootenay	4%	--	1%	1%	1%
5 – Cariboo	3%	--	3%	3%	2%
6 – North Coast	--	--	1%	1%	1% <sup>8</sup>
7 – Nechako	--	--	--	--	--
8 – Northeast	8%	--	1%	1%	1%

Data Source: BC PNP evaluation – nominee surveys – and BC Stats

Note: 25% of respondents chose not to identify location. We have assumed that these non-respondents are evenly distributed across development regions in the same proportion as respondents.

## Residence of Nominees in British Columbia

Of the BC PNP Skilled Workers who participated in the survey, 94% continued to reside within British Columbia and 86% stayed within the community that they lived in or moved to after being nominated.<sup>9</sup> Based on the survey, the program is influencing the location decision of 26% of applicants and those who do move to British Columbia are typically staying.<sup>10</sup>

## Economic Success of Nominees

Based on the survey findings, 94% of all nominees were employed full time (this includes 2% who were self-employed). In comparison, a 2009 federal survey supporting the evaluation of the Federal Skilled Worker Program found that 85% of respondents were employed at the time of the survey, and of these, 81% were working full time.<sup>11</sup>

The BC PNP survey found that 2% of respondents were unemployed and looking for work; the remainder were not working and not looking for work, or did not indicate their labour force status. In comparison, 15% of Federal Skilled Worker immigrants were not employed at the time of the federal evaluation survey. This compares with an average unemployment rate of almost 8% for total landed immigrants in British Columbia during the fourth quarter of 2010 (October to December).<sup>12</sup>

Regarding the quality of employment that was facilitated through the BC PNP:

- 85% felt that the initial job was a good match with their skill set and experience (Skilled Workers felt most strongly that there was a good match, at 88%).
- 71% felt that the salary they received was fair given their skills and experience (International Graduates were less pleased with the salary, with 64% indicating that it was fair).
- 69% felt that there were opportunities for advancement.

Overall, 31% of surveyed nominees agreed that being nominated has provided them and their family with an income that they would likely not have been able to attain otherwise while 42% disagreed. Among Skilled Workers, 49% disagreed that nomination had positively influenced the income they attained. The perception of Entry-Level and Semi-Skilled workers was quite different, with 56% agreeing that nomination had provided for an income that they would likely not have attained otherwise. This result may be explained by the fewer options available to workers in this component of the program for attaining permanent residency status.

9. Approximately 96% of Entry-Level and Semi-Skilled nominees continued to live in the same community they located to at the time of nomination.

10. The results were also examined to see if there were significant differences between nominees that have attained permanent residency (i.e., since at that point they would have more mobility). While there was a small increase in movement between communities, roughly 94% continued to reside within the province, regardless of whether they attained permanent resident status or not.

11. Citizenship and Immigration Canada (August 2010), *Evaluation of the Federal Skilled Worker Program*, p.33.

12. BC Stats, *Immigration Labour Force Survey – Quarterly Estimates, December 2010*. Statistics are for the final quarter of 2010 as the BC PNP survey for Skilled Occupations was completed in the same quarter.

### Exhibit 11: Reported Income – PNP Database Compared to Survey Findings

	PNP DATABASE Average Wage or Salary Offer (\$)	SURVEY Average Pre-Tax Nominee Income (\$)
Entry Level and Semi-Skilled	\$26,404	\$37,705
International Graduates	\$37,331	\$51,635
Skilled Workers	\$70,620	\$88,245

Data Source: Ministry; BC PNP evaluation – nominee surveys

There are several sources of information on the performance of nominees with respect to incomes. Employers provide job offers that specify the salary that will be paid to the nominee applicants. These salary offers are treated as contractual commitments for the purposes of assessing applications. These salary offers were analyzed as part of the evaluation and average expected earnings were calculated for each of the three components within the Strategic Occupations stream of the BC PNP. Income information was also provided by survey respondents. The results from both sources are provided in Exhibit 11.

As indicated in Exhibit 11, nominee incomes reported through the survey for the 2009 tax year averaged \$88,200 for BC PNP Skilled Workers and \$37,700 for Entry-Level and Semi-Skilled workers. This is significantly higher than the salary offers provided by the employer at the time of application, but generally consistent with the salary increases seen over time through the longitudinal analysis that was undertaken recently by the Ministry. This analysis, using Immigrant Database (“IMDB”) statistics and the most recent tax filer data (up to 2006) was completed in early 2011. Although there is a lag in the availability of income tax data, the results are generally consistent with those of the BC PNP survey.

When compared with Federal Skilled Workers, British Columbia’s provincial nominees are performing well with respect to incomes. The results of the Ministry’s analysis and the national survey of Federal Skilled Worker immigrants carried out by the federal government in 2009 are presented in Exhibit 12. These results provide a useful comparison of incomes between Federal Skilled Workers and nominees of the BC PNP. Based on the survey findings it appears that British Columbia’s provincial nominees as a whole achieve average incomes that are very close to those of Federal Skilled Workers nationally who have arranged employment, and significantly higher than those of Federal Skilled Workers nationally, or who land in the province, and do not have arranged employment. When focusing just on Federal Skilled Worker immigrants with full time employment, the average incomes of British Columbia’s nominees are still higher.

### Exhibit 12: Income Ranges for Other Programs and Analyses

	Ministry of Jobs, Tourism and Innovation		Citizenship and Immigration Canada – Evaluation of the Federal Skilled Worker Program	
	BC FSW (2004 Cohort)	BC PNP	FSW without AEO (national average)	FSW with AEO (national average)
First Year After Landing	\$17,979	\$70,204	\$32,200	\$72,700
Second Year after Landing	\$26,275	\$73,991	\$40,500	\$78,700
Third Year After Landing	\$31,765	\$78,742	\$44,200	\$79,200

Data Source: Citizenship and Immigration Canada; Ministry

The survey results (referenced in Exhibit 11) supporting this evaluation also suggest that the BC PNP Skilled Workers are significantly outperforming Federal Skilled Worker immigrants with arranged employment. Surprisingly, even Entry Level and Semi-Skilled nominees appear to be achieving incomes that, on average, are higher than those of Federal Skilled Workers landing in British Columbia.

There is, however, a potential issue regarding the incidence of low incomes among some nominee families. Statistics Canada's Low Income Cut-off ("LICO") is used as a threshold in assessing applications to the BC PNP in the Entry-Level and Semi-Skilled component of the Strategic Occupations stream, where wage rates are typically much lower than for other program components. The failure of applicants to meet the LICO thresholds is the major reason for refusal of applicants in this category.<sup>13</sup>

Exhibits 13 and 14 identify the percentage of families with incomes close to or below the LICO (using the threshold for communities outside of metropolitan Vancouver) by family size. Based on the survey findings, 7% of families of Entry-Level and Semi-Skilled nominees and 2% of the families of nominees in the Skilled Workers category are reporting incomes that are below the LICO threshold.<sup>14</sup> In comparison, the most recent incidence rate of families in British Columbia under the LICO available from Statistics Canada was 10.9% for 2008.<sup>15</sup>

**Exhibit 13: Percentage of Entry Level and Semi-Skilled Nominees by Family Size below the LICO**

	1	2	3	4	5	6	7+	Total Below LICO
Under \$20,000	1.4	1.0	0.5	1.0	--	--	0.5	3.0%
\$20,000-\$29,999		7.6	4.8	3.8	--	--	0.5	4.3%
\$30,000-\$39,999				2.9	1.4	--	--	
\$40,000-\$49,999							--	
\$50,000-\$59,999								
<b>Below LICO Threshold:</b>	--	1.0%	0.5%	4.8%	--	--	1.0%	7.3%
<b>Potentially Below LICO Threshold:</b>	1.4%	7.6%	4.8%	2.9%	1.4%	--		18.1%

Data Source: BC PNP evaluation - nominee surveys; LICO Thresholds, Ministry

Note: The BC PNP survey found that 39% of Entry Level and Semi-Skilled nominees live alone, 21% were part of a 2 person family, 16% were part of a 3 person family, 14% were part of a four person family, and 10% were part of a family with five or more people.

It is important to note that due to the approach taken in identifying family incomes, the analysis is limited to the use of ranges, and a precise determination of the percentage of families falling below the LICO cannot be made in all cases. Exhibits 13 and 14 indicate that 18% of Entry-Level and Semi-Skilled nominee families and 4% of the families of Skilled Workers identified income ranges where there is a potential risk that LICO thresholds are not being met. This is an area where further analysis is warranted including an investigation of whether low incomes are associated with certain occupations. In terms of program policy, the suitability of LICO as a low income threshold measure should also be examined.

13. The Low Income Cut-off ("LICO") is an income threshold where a family is likely to spend 20% more of its income on food, shelter and clothing than the average family, leaving less income available for other expenses such as health, education, transportation and recreation. The analysis presented in Exhibit 13 and 14 used before tax values.

14. Since LICO thresholds for Metropolitan Vancouver were not used, this estimate is conservative.

15. Statistics Canada, CANSIM Table 202-802. The incidence rate has been declining steadily since 2005 but, given the downturn in the economy since 2008, it would be reasonable to expect that the incidence rate would have climbed in the last few years.

Another area of questioning in the Strategic Occupations survey dealt with the use of public programs. Of those taking part in the survey, 18% indicated a past reliance on employment insurance, while only 1% had accessed BC income, disability or hardship assistance.

### Exhibit 14: Percentage of Skilled Worker Nominees by Family Size below the LICO

	1	2	3	4	5	6	7+	Total Below LICO
Under \$20,000	0.7	0.8	0.4	0.2	--	--	--	1.4%
\$20,000-\$29,999		0.7	1.2	0.6	0.1	0.1	--	0.8%
\$30,000-\$39,999				1.1	0.1	--	--	
\$40,000-\$49,999							0.1	
\$50,000-\$59,999								
<b>Below LICO Threshold:</b>	--	0.8%	0.4%	0.8%	0.1%	0.1%	--	2.2%
<b>Potentially Below LICO Threshold:</b>	0.7%	0.7%	1.2%	1.1%	0.1%	--	0.1%	3.9%

Data Source: BC PNP evaluation - nominee surveys; LICO Thresholds, Ministry

Note 1: The BC PNP survey found that 39% of Entry Level and Semi-Skilled nominees live alone, 21% were part of a 2 person family, 16% were part of a 3 person family, 14% were part of a four person family, and 10% were part of a family with five or more people.

Note 2: The BC PNP survey found that 23% of Skilled Worker nominees live alone, 33% were part of a 2 person family, 17% identified were part of a 3 person family, 19% were part of a four person family, and 8% were part of a family with five or more people.

### BC PNP Income Thresholds

	Number of People in Family Unit						
	1	2	3	4	5	6	7 or more
Metro Vancouver	\$19,954	\$24,841	\$30,540	\$37,078	\$42,054	\$47,429	\$52,806
Rest of BC	\$16,630	\$20,702	\$25,451	\$30,902	\$35,048	\$39,529	\$44,009

## Retention of Nominees in Initial Jobs and Occupations

Approximately 80% of all nominees are still working full time in the same job (or occupation) for which they were nominated or with the same employer. The percentage of those still in the same job rose to 89% if they have not yet become permanent residents and fell to 70% for those who have obtained permanent residence status. However, there is significant variation by program component:

- Entry/Semi-Skilled – 94% are still in the same job and 97% are with the same employer<sup>16</sup>;
- International Graduates – 58% are still in the same job and 66% are with the same employer;
- Skilled Workers – 76% are still in the same job and 80% are with the same employer.<sup>17</sup>

Overall, 87% of surveyed nominees are still working in their original occupation, and 77% are employed in the same position with their original employer.

16. It should be noted that most of the nominees in this component entered the job more recently than for other components - 57% arrived in British Columbia in 2008.

17. In comparison, 69% of FSW immigrants with an AEO were still working with the same employers and only 47% of FSW immigrants without an AEO were still working with the same employer. Of those no longer working with the same employer, 6% of BC PNP Skilled Workers left involuntarily (laid off or other). Some 14% of FSW immigrants and 8% of FSW immigrants with AEOs left involuntarily.

## Influence on Nominees' Decisions to Live and Work in British Columbia

The survey found that 28% of nominees would not have located to British Columbia in the absence of the BC PNP. This percentage was much higher for the Entry Level and Semi-skilled group at 47%. More broadly, 58% of all nominees surveyed identified that the BC PNP did influence their decision to live and work in the province permanently. Again the percentage was highest among the Entry Level and Semi-skilled stream at 80%.<sup>18</sup>

When asked what they would have done if they were not accepted under the program, 60% of Skilled Workers and 79% of International Graduates indicated that they would have still applied for permanent resident status in Canada. Far fewer Entry Level and Semi Skilled nominees stated this as an option (37%) and the majority (53%) indicated that they would have sought an extension of their temporary residence. With rules changing around the Labour Market Opinions and the limits on temporary work permits, this is less likely to be an option in the future.

### Exhibit 15: Incremental Impact of the BC PNP Program for Strategic Occupations

Q6. WHICH OF THE FOLLOWING BEST DESCRIBES WHAT YOU WOULD LIKELY HAVE DONE IF YOU WERE NOT ACCEPTED UNDER THE PNP? YOU WOULD HAVE...	Total (n=1,412)	Entry/Semi Skilled (n=210)	International Graduates (n=129)	Skilled Workers (n=1,073)
Applied for permanent resident status in Canada through another program	58%	38%	79%	60%
Applied for or extended your temporary residence (as a worker, student, etc.) to remain in British Columbia temporarily	30%	53%	12%	27%
Attempted to immigrate to another country	6%	4%	5%	6%
Not attempted to immigrate to any country	6%	5%	4%	6%

Data Source: BC PNP evaluation – nominee surveys



18. The Ministry reports that 76% of nominees had, on average, a work permit at the time they applied to the BC PNP.

## PROGRAM OUTCOMES WITH THE BUSINESS STREAM

### GENERAL CONCLUSIONS

**The economic impacts of the BC PNP's Business stream are substantial.** Program data show that from 2005 to mid-2010, 203 entrepreneurs nominated through the Business stream of the BC PNP have invested over \$423 million into the provincial economy and created over 1,100 jobs.

The Regional Business component of the program has proved attractive to foreign entrepreneurs, accounting for around 70% of all nominees. While the investment and job creation requirements for this category are lower than for the Business Skills or Strategic Projects categories, 57% of the total investment made and 55% of jobs created by Business nominees are outside of the Metro Vancouver and Abbotsford areas.

**The majority of business ventures developed by nominees are demonstrating sustainability.** The survey of entrepreneurs found that 68% were still actively involved in the business for which they were nominated, and that these businesses have grown. Excluding outlier values, each of these nominees had on average invested an additional \$498,000 into their business, following the year of nomination. In addition, their annual business revenue increased from an average of \$322,400 at the time of nomination to \$589,500 in 2009.

Of those entrepreneurs surveyed who reported no longer being involved in the management of their company, 13% indicated that they had shut down the business, and 38% were self-employed.

**Entrepreneurs are remaining in British Columbia.** The vast majority (93%) of those entrepreneurs surveyed are still living in British Columbia, and 75% have purchased a home in the province.

**The BC PNP is strongly influencing Business nominees' decisions to locate in British Columbia.** Eighty three percent (83%) of entrepreneurs surveyed stated that the BC PNP had significantly influenced their decision to live and to develop a business in British Columbia.

## Total Nominations and Nominee Characteristics

Between 2005 and mid-2010, a total of 203 entrepreneurs have been nominated through the Business stream of the program. The Regional Business component accounted for the majority of these nominees (71%) while Business Skills represented 24% and Strategic Projects 5%.

**Source Countries:** China, the United Kingdom, Korea and the United States were the most frequently reported countries of citizenship and together account for 79% of all nominees.

**Language Proficiency:** While language proficiency information is provided with the Business Stream applications, it is not currently recorded in the program database. However, BC PNP staff has observed that only a small percentage of nominees from countries where English is not widely spoken are typically proficient in English.

Although lack of proficiency in English is considered a key barrier affecting success for immigrants in general, business acumen and financial capacity are viewed by the Ministry as equally important determinants of success for entrepreneurs.<sup>19</sup>

**Age and Gender:** The average age of Business nominees was 45, which is ten years older than the average for nominees in the Strategic Occupations stream.<sup>20</sup> Males accounted for 80% of all nominees and their average age was 46. Females account for 20% of the nominees, and had a lower average age of 42.<sup>21</sup>

**Education Levels:** On average, 46% of surveyed nominees in this stream have completed a Bachelors or graduate degree program. Only 15% of these nominees identified secondary education as the highest level of education attained. Although educational levels are not key determinants of success for entrepreneurs, it is noteworthy that a higher percentage possessed graduate and post graduate degrees in comparison to BC PNP Skilled Workers.

### Exhibit 16: Top Countries of Citizenship for Nominees

COUNTRY OF CITIZENSHIP	PERCENT BY BUSINESS STREAM CATEGORY			TOTAL NOMINATIONS	
	Regional Business	Business Skills	Strategic Projects	Total Number	Per Cent
China	31%	54%	64%	78	38%
United Kingdom	23%	13%		40	20%
Korea	19%	6%		30	15%
United States	6%	6%	9%	13	6%
Taiwan	4%	2%		7	3%
Germany	2%		9%	4	2%
Iran	2%	2%		4	2%
India	1%	4%		3	1%
South Africa	1%	2%		3	1%
Algeria	1%			2	1%
Italy	1%			2	1%
Russia	1%			2	1%

Data Source: PNP Database; Data extraction performed by the Ministry

19. It should be noted that Business Entrepreneurs surveyed as part of the evaluation identified language proficiency as the number one factor of success.

20. Even as this detail is captured in applications, it has not been recorded in the program database; Ministry staff was able to match names with CIC administrative data sets.

21. CIC administrative data. The summaries are based on 66 of the 204 nominations made during the January 1st, 2005 to June 30th, 2010 period. The information was provided by the Ministry.

### Exhibit 17: Breakout of Business Entrepreneurs Nominees by Highest Level of Education Attained

EDUCATION LEVEL	GRAND TOTAL
Secondary	15%
Community College or Technical College	28%
Bachelor Degree	20%
Graduate Degree (Masters Degree)	18%
Post Graduate Degree (Doctorate Degree)	8%
Other	3%
<b>Total Percent *</b>	<b>92%</b>
<b>Total Number of Nominee Responding to Surveys</b>	<b>40</b>

Data Source: BC PNP evaluation - nominee surveys

\*The remainder involves refusals (non-response) to the survey question

## Economic Impacts

Based on the survey,<sup>22</sup> the average Business nominee employed 3.5 full-time employees, 2 part-time employees and an immediate family member in the year of meeting their Performance Agreement with the BC PNP. This finding is consistent with data collected by the Ministry at the time that the Performance Agreement was met, which suggests that, on average, each business is supporting 5.5 jobs.

Surveyed Business nominees were also asked about their provincial operations' gross revenue in the year of meeting the Performance Agreement and in 2009 (i.e., the most recent tax year at the time the survey was conducted). On average, nominees' gross revenues in the year of meeting their Performance Agreement were \$279,500. Respondents who were still actively involved in the management of the company reported gross revenues of \$589,500 in 2009 – an increase of \$322,400 since the year of meeting their Performance Agreement. Nominees also reported having invested an average of \$742,500 in their business at the time of meeting their Performance Agreement and that on average they had subsequently invested an additional \$498,000 (this average figure excludes outlier values).<sup>23</sup> The investment levels reported through the survey at the time that the Performance Agreement was met are lower than the \$2.1 million average based on information collected through the program database.<sup>24</sup>

22. The survey of Business nominees was based on a small sample and is not considered to be truly representative of the nominee population, so care should be exercised in extrapolating from the survey results to the program as a whole.

23. These figures are rounded to the nearest 100.

24. Findings from the survey would likely be much more in line with information collected through the program database if the larger businesses were removed from the average.

**Exhibit 18: Comparison of Evaluation Survey Results to Performance Expectations**

Performance at the Point of Meeting the Performance Agreement:	Investment and Job Benefits Per Business – PNP Program Data. <sup>23</sup>					Total Jobs and Investment Across All Businesses
	Survey Findings (Per Business)	Business Skills	Regional Business	Strategic Projects	All Businesses	
a) Level of Investment	\$742,500	\$3,437,000	\$546,000	\$16,353,000	\$2,086,000	\$423,464,000
b) Employment Supported	3.5 full time 2.1 part time	7.1 jobs	3.4 jobs	25.6 jobs	5.5 jobs	1,121 jobs
Incremental Investment since Meeting Terms of the Performance Agreement	\$498,000	NA	NA	NA	NA	NA
<b>Total Number of Businesses</b>	<b>40</b>	<b>48</b>	<b>144</b>	<b>11</b>	<b>203</b>	<b>203</b>

Data Source: Ministry; BC PNP evaluation – nominee surveys

As shown in Exhibit 19, the BC PNP encourages business development outside of the Mainland Southwest region. Between 2005 and mid-2010, 57% of all nominations were for businesses located outside of the Greater Vancouver Regional District (now Metro Vancouver) and the Abbotsford areas. A large number of these businesses were located in the Vancouver Island-Coast (20%) and the Thompson Okanagan region (16%). Based on other data, a majority<sup>25</sup> of nominations were for regional businesses located outside of the Metro Vancouver and Abbotsford area.

In terms of industry sectors, 58% of the survey respondent's businesses fell into the accommodation and food service sectors, 12% were in retail trade and 8% were in professional, scientific and technical services. Manufacturing, arts, entertainment and recreation, wholesale trade, and educational services accounted for an additional 16% (i.e., there were 8% of respondents who identified their businesses as other).<sup>26</sup>

25. Data as provided by the Ministry also suggests that around 70% of nominees can be categorized as Regional Businesses. For comparison purposes, 65% of survey respondents were located outside of the Greater Vancouver area.

26. A brief description of the type of business proposed for each application is found in the database supporting the Business stream of the BC PNP. However, these descriptions are not captured in a manner that would allow summaries using any standard description by sector or type. This is an area where the Ministry could improve its ability to report out on performance in relation to strategic sectors. Further, to this, the relative costs and benefits of developing the capacity to report on the extent to which entrepreneurs are supporting broader succession objectives within the B.C. business community should be considered along with the extent to which identified benefits are incremental (i.e., new jobs, new businesses) or not.

### Exhibit 19: Percent of Nominations by Development Region

DEVELOPMENT REGION	NUMBER OF NOMINATIONS	PERCENT OF NOMINATIONS
1 - Vancouver Island-Coast	41	20%
2 – Mainland-Southwest (GVRD/Abbotsford)	88	43%
2 – Mainland-Southwest (other)	15	7%
3 – Thompson Okanagan	32	16%
4 – Kootenay	12	6%
5 – Cariboo	5	2%
6 – North Coast	5	2%
7 – Nechako	2	1%
8 – Northeast	3	1%
<b>Grand Total</b>	<b>203</b>	<b>100%</b>

Data Source: PNP Database; Data extraction performed by the Ministry

## Sustainability of Business Ventures

Nearly seven-in-ten (68%) of the surveyed nominees were still actively managing the business they were operating at the time of nomination. Of those no longer involved in the management of their company, 13% reported shutting down the business for a specific reason (among these, 5% cited a lack of profitability). The remaining 20% refused to provide a reason. Among nominees who were no longer actively managing their company, 38% were self-employed, 15% were retired, and 8% were full-time students (the remainder refused to comment).

Given their business experiences in British Columbia, 80% of these survey respondents would recommend the province to other entrepreneurs. Similarly, 78% noted that they would recommend the BC PNP to a non-Canadian resident who was looking to invest and launch a business outside of their home country.

## Settlement and Quality of Life in British Columbia

Business nominees were asked in the survey to rate the BC PNP in terms of the social and economic benefits realized as a result of being nominated under the program. Overall, 70% agree that “living and working in BC has allowed [their] family to have a quality of life that [they] would not likely have been able to attain otherwise”. However, only 45% agreed that “by locating to BC [they] have been able to build a more successful business more quickly than [they] could have done otherwise”.

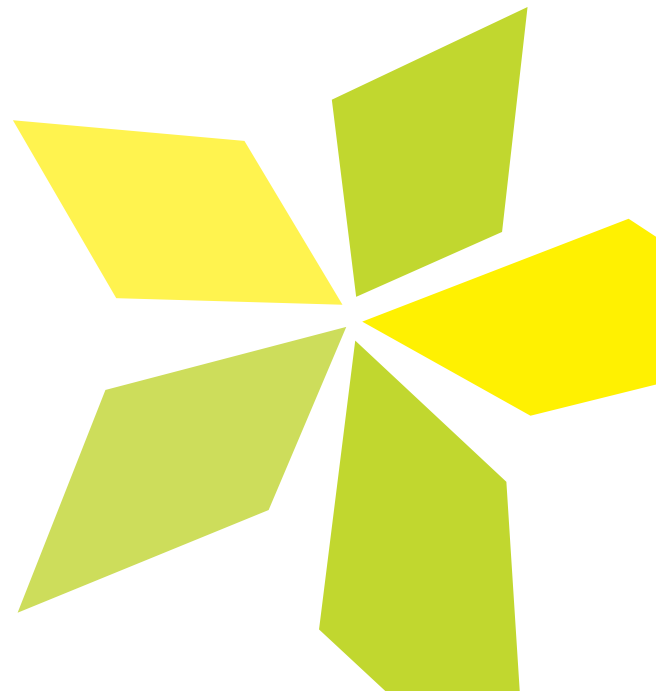
The survey identified a number of ways in which nominees had formed attachments to their community and the province:

- 75% had purchased a home in British Columbia;
- 45% had become a member of a business association in the province;
- 15% had obtained additional education qualifications; and
- 13% had acquired additional professional, trade or occupational qualifications in BC.

Of those still actively involved in the management of their company, 93% were still living in British Columbia. Of those who had left (a very small sample size of three), two noted that immediate family members who immigrated with them to British Columbia have stayed. Nearly three-quarters (73%) of those surveyed who were still in British Columbia had become permanent residents. Over one-quarter (26%) of these permanent residents reported that their dependent children had since attended a post-secondary institution in British Columbia.

Based on the survey of Business nominees, 98% agreed that quality of life was the key reason for choosing British Columbia. The positive reputation of the BC PNP also played a role in this decision for 60% of nominees. Other reasons included access to the Canadian education system along with health and social benefits (60%), and a positive business climate (58%). Although quality of life was a primary reason for choosing British Columbia for both regional and Metro Vancouver entrepreneurs, there are differences between these groups. Metro Vancouver based entrepreneurs placed more weight on access to the Canadian education, health, and social system (86% versus 46%), personal reasons including family ties (86% versus 54%), and access to a high quality work force (57% versus 35%).

Overall, the availability of the BC PNP was a strong influence on the decision to immigrate for 83% of surveyed Business nominees. The BC PNP's influence was stronger for regional entrepreneurs (88%) than for those in Metro Vancouver (71%).



## PROGRAM DESIGN AND DELIVERY

### GENERAL CONCLUSIONS

**Nominees and employers are generally satisfied with the BC PNP's service quality and program requirements.** The majority of nominees in the Strategic Occupations stream expressed satisfaction with the application process and requirements (77%), processing times (69%), program information (78%), and responsiveness of program staff (71%). Employers were somewhat less satisfied with service quality, especially with program requirements and the application process (64%), and staff responsiveness (63%). Ninety eight percent (98%) of nominees in this stream, and 81% of employers, said they would recommend the BC PNP to others.

The majority of Business nominees reported satisfaction with the responsiveness of BC PNP staff (75%), program information (69%), and the reasonableness of overall program requirements (90%). Fewer were satisfied with the program's application fees (65%), the reasonableness of job creation and personal net worth requirements (63%), and the time taken to fill out the program application (56%). Eighty percent (80%) said they would recommend the BC PNP to others.

**The BC PNP is meeting its annual performance targets.** Annual Service Plan reports show that the program has met the annual fiscal year target for approvals in the Strategic Occupations stream in each of the past three years, and for the Business stream in two of the past three years. In 2010, the federal government introduced nomination quotas nationally for provincial nominee programs with the BC PNP meeting its 2010 cap of 3,500 nominations.

**The BC PNP recovers a high percentage of its operating costs.** The BC PNP recovered 84% of its gross expenditures for the 2007/08 – 2009/10 fiscal years through application fees, and interest earned on performance bonds provided by Business applicants choosing the Fast Track nomination process.

**The BC PNP continues to improve its efficiency in response to rapidly increasing application volumes.** The program received less than 600 applications in 2005 and expects to receive approximately 4,200 in 2010 (i.e., 2,088 were received in the first six months of 2010). Processing times averaged ten weeks over the period 2005 to mid-2010, but there is a perception among some stakeholders that the time taken to process applications is growing. To enhance efficiency, the program reports initiating a number of recent improvements to streamline application processes, and that it expects to hire additional staff in 2011.

### GENERAL CONCLUSIONS (continued)

**The rapid growth of the Entry Level and Semi-Skilled category has important program policy implications.** Nominations in this pilot category, introduced in 2008 for select lower skill occupations facing labour market pressures, accounted for close to a third of all nominations in the Strategic Occupations stream over the last two years. A large percentage of these Entry Level and Semi-Skilled nominees have post-secondary credentials, which suggests that they are currently under-employed and may later move into more highly-skilled positions. In the absence of knowing these longer term nominee outcomes, it is unclear to what extent the pilot is consistent with the anticipated longer term need for highly skilled workers in British Columbia.

**The Fast Track Option is showing mixed results.** Introduced in 2007, uptake of the Fast Track Option has been relatively low among Regional Business applicants. Program data indicate that while entrepreneurs in the Business Skills category pursuing the Fast Track Option have a similar net worth relative to nominees taking the Regular Track nomination route, they are investing significantly less on average in their business. At the same time, nominees choosing the Regional Business category in the Fast Track have a significantly higher net worth than Regular Track nominees, but are investing only about the same amount in their business. As a result, it is not clear whether the Fast Track option is attracting the type of entrepreneur intended or whether it is effectively promoting investment into areas outside of the Metro Vancouver and Abbotsford areas.

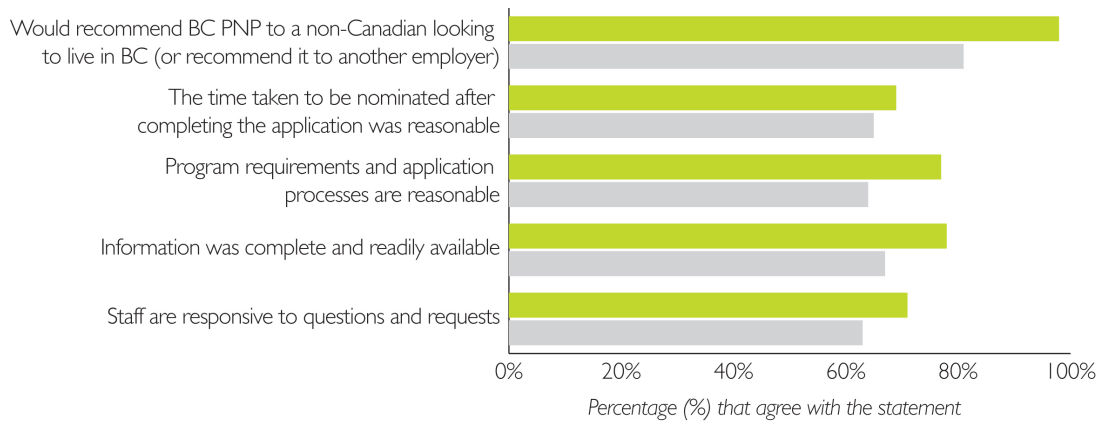
## Nominee and Employer Satisfaction with the BC PNP

In general, surveyed nominees in the Strategic Occupations stream expressed a fairly high level of satisfaction across most of these factors as indicated in Exhibit 20 (i.e., 69% to 78% stating agreement). Nominees also reported that the program was helpful in obtaining or renewing a temporary work permit while their permanent resident visa application was being processed (73%) – this is critical to maintaining the ability to work for an existing employer, or to begin working in a job that an employer needs to fill urgently.

Levels of agreement were lower with respect to:

- BC PNP application fees –only 53% agreed that these were reasonable.
- The time taken to receive the Permanent Resident Visa from Citizenship and Immigration Canada – only 48% felt that this was reasonable. Available CIC administrative data shows that the average elapsed time from receipt of an application to a final decision seems to be trending upwards, from six (6) months in 2008 to eight (8) in 2010.

### Exhibit 20: BC PNP Survey Results on Satisfaction – Strategic Occupations



Perhaps the strongest indicator of satisfaction is that 98% of Strategic Occupation nominees agreed that they would recommend the program to others.

Data Source: Ministry; BC PNP evaluation – nominee surveys

Surveyed employers were generally satisfied with most aspects of program delivery and 81% agreed that they would recommend the program to others. When asked about alternatives such as the Federal Skilled Worker program, 26% of surveyed employers had attempted to secure employees through the use of an AEO from Human Resources and Social Development Canada. Of these, 58% found the BC PNP process to be easier than the AEO process. Larger employers (i.e., those who had hired 21 or more nominees) also tended to identify the process as easier with much greater frequency (88%). However, the sample size for this population is very small with only 18 respondents.<sup>27</sup>

Nominees in the Business stream, and through the survey, identified the extent to which they agreed with statements regarding the application process and quality of services received:

- Program information is complete and readily available to help complete application forms – 69% agreed with this statement.
- Program staff are responsive to questions and requests – 75% agreed with this statement.
- The time it takes to fill out the PNP application is reasonable – 56% agreed with this statement.

While Business nominees were not asked about the reasonableness of the time taken to process their applications, this was a key concern for immigration lawyers and consultants that were interviewed. Concerns were expressed regarding the length of time required to develop and review the applicant’s business plan and to prepare the preliminary application. The Ministry has responded that the BC PNP is streamlining the business plan review process, and is giving consideration to eliminating the preliminary application.

27. In support of the evaluation of the FSW program, a survey of participating employers was conducted and opinions on aspects of program delivery were collected. Questions posed in the FSW survey are not directly comparable to the BC PNP employer survey. However, they do suggest that the level of satisfaction with most aspects of program delivery and quality of service were comparable, with the FSW program, marginally out-performing the BC PNP.

Overall, 90% of the Business nominees surveyed strongly or somewhat agree that the BC PNP requirements are reasonable. The areas of strongest agreement were:

- The business investment level requirement is reasonable (75%).
- The minimum ownership and equity share requirement is reasonable (83% strongly/very strongly agree).
- The performance agreement reporting requirement is reasonable (83%).
- Program staff are responsive to questions and requests (75%).

Lower satisfaction was found with respect to the reasonableness of job creation targets and personal net worth requirements (63%), and of application fees (65%).

## Achievement of Performance Targets

The BC PNP establishes fiscal-year targets for approvals of applicants based on projected demand and the program's operational resources and budget. These targets are set out in the Service Plan of the ministry responsible for the program and are used to track program outputs. Actual performance, compared with targets, is presented in the ministry's Annual Service Plan report.

### *Exhibit 21: Approval Targets and Results for the BC PNP, Fiscal 2007/08 – 2009/10*

Program Stream	2007/08		2008/09		2009/10	
	Target	Actual	Target	Actual	Target	Actual
Strategic Occupations	1,600	1,820	2,400	2,564	3,000	3,024
Business Entrepreneur	130	61	90	94	120	122

*Data Source: Ministry Annual Service Plan Reports*

In each of the past three fiscal years, BC PNP targets were met or exceeded, with the exception of the fiscal 2007/08 target for approvals in the program's Business stream. In commenting on this particular result, the Ministry notes that there had been a significant drop in entrepreneur applications and approvals from fiscal 2005/06, which it attributed to the program's much higher requirements for investment and job creation, compared with those of other provincial nominee programs. The BC PNP also lacked the "performance bond" feature of these other programs, which allows an applicant to obtain nomination prior to implementing their business proposal.

Following stakeholder consultations, the Ministry responded by adjusting program requirements and introducing a Fast Track nomination option for entrepreneur applicants. These changes were implemented in September of 2007. The Ministry has stated that these improvements have had a positive impact, as reflected in the 50% increase in Business nominee approvals between fiscal 2007/08 and 2009/10.

## Program Cost and Efficiency

The BC PNP operates on a partial cost-recovery basis. Program revenues are derived from application fees (i.e., \$550 for Skilled Occupations applicants; \$3,000 for principal applicants in the Business stream; and, \$1,000 for key staff seeking nomination) and from interest on the performance deposits of Business Fast Track applicants. This revenue is used to offset the program's operating costs. The BC PNP's total gross expenses for the three fiscal years 2007/08 to 2009/10 were reported by the Ministry to be \$6.8 million. Over this period, revenue from fees and interest was reported by the Ministry as totalling \$5.7 million, resulting in a total net cost of \$1.1 million. This represents a three-year average cost-recovery rate for the program of 84%.

The survey of nominees in the Strategic Occupations stream of the program identified some concern about fees, with only 58% agreeing that these were reasonable. A higher percentage of Business nominees felt that application fees were reasonable (65%). Interviews with immigration consultants and lawyers revealed that processing times are perceived to have a much stronger impact on program competitiveness than fees. These interviews also found that the BC PNP remains the preferred vehicle for prospective immigrants to secure permanent resident status and there is anecdotal evidence that some nominees and employers would accept higher fees if these would ensure expedited processing.

### *Exhibit 22: Financial Results Summary for the BC PNP, Fiscal 2007/08 – 2009/10*

	2007/08	2008/09	2009/10	3-Year Results
Gross Expenditure	\$1,539,367	\$2,528,920	\$2,742,704	\$6,810,991
Fees	\$1,384,988	\$1,709,039	\$2,641,761	\$5,735,789
Net Expenditure	\$154,379	\$819,881	\$100,943	\$1,075,202
Cost Recovery	90%	68%	96%	84%

*Data Source: Ministry Financial Management Reports*

Some immigration consultants and lawyers interviewed expressed the view that processing times have been increasing, and process times received relatively lower ratings of satisfaction amongst surveyed nominees for the Strategic Occupations stream of the program. However, data provided by the Ministry indicate that overall processing times have not changed substantially, although they do vary from year to year.

### Exhibit 23: Strategic Occupations - Average Processing Time in Weeks for Applications where a Decision has been made and Approval Rates

Date of Decision	Volume of Applications Processed	Average of Processing Time (weeks)			Overall
		Entry-Level Semi-Skilled	International Graduates	Skilled Workers	
2005	578		14.3	8.0	8.6
2006	1,211		11.4	11.9	11.9
2007	1,916		6.0	6.9	6.8
2008	2,709	8.7	12.8	11.9	12.0
2009	2,956	6.7	6.3	7.3	7.1
2010	2,088	13.3	12.2	11.3	12.2
<b>Overall</b>	<b>11,458</b>	<b>10.7</b>	<b>10.0</b>	<b>9.5</b>	<b>9.8</b>
Application Approval Rate	87%	84%	88%	87%	

Data Source: PNP Database; Data extraction performed by the Ministry

During the first half of 2010 it was taking, on average, 12 weeks to process an application. This is very close to the average time taken in 2006 and 2008 in spite of increases in the volume of applications processed. In 2009, the average processing time was 7 weeks with a volume of 2,956 applications processed.

The Ministry notes that processing times do fluctuate from year to year in response to the volume of applications received and the program's capacity to process these applications, but has not provided data to demonstrate this relationship. The federal government's introduction of expedited visa processing for recent Federal Skilled Worker applications and for Canadian Experience Class applications, which are the most comparable and competitive, permanent immigration options for prospective worker nominees, reportedly puts pressure on the BC PNP to ensure that it continues to provide timely processing of applications.

## Growth of the Entry Level and Semi-Skilled Category

The Entry Level and Semi-Skilled component of the BC PNP was introduced as a pilot category in 2008 and in the last two years has accounted for close to a third of all nominations. This represents a significant shift in the program's focus on meeting skill gaps for higher skilled occupations. Yet, a large percentage of Entry Level and Semi-Skilled nominees appear to have qualifications that exceed the typical requirements of the Skill Level C and D positions they were nominated for. This suggests that they are currently under-employed and may later move into more highly-skilled positions. In the absence of knowing these longer term nominee outcomes, it is unclear to what extent the pilot is consistent with the anticipated longer term need for highly skilled workers in British Columbia.

## Business Fast Track Option

The Fast Track Option for nomination in the BC PNP's Business stream has had some unintended consequences. Uptake of the Fast Track Option has been relatively low among Regional Business applicants. While the Regional Business category accounts for around 70% of all Business nominees, only 40% of the 47 nominees have so far chosen the Fast Track Option.

Net worth and investment amounts also vary between Fast Track and Regular Track nominees. Fast Track nominees in the Regional Business category have an average net worth of \$2.8 million compared with \$1.5 million for Regular Track nominees in this category. At the same time, the average level of investment was \$0.4 million for each group.<sup>28</sup> With respect to the Business Skill component, the average net worth of those choosing the Fast Track option was \$3.8 million compared with \$3.3 million for Regular Track nominees. The average level of intended investment of Fast Track nominees, however, was only \$0.6 million compared with \$1.1 million invested by Regular Track nominees.

As a result, it is not clear that the Fast Track Option is attracting the type of entrepreneur intended by the program, or that it is effectively promoting investment outside of the Metro Vancouver and Abbotsford areas.

## Reaching Nominees and Employers

Nominees in the Strategic Occupations stream first became aware of the BC PNP through a variety of means. Employers (22%) and immigration lawyers or consultants (22%) were the most frequent source of information followed by other BC PNP applicants (17%) and the program's website (15%). Only 3% of those surveyed initially learned about the BC PNP through a program information session, and even fewer through promotional material (2%).

Compared with other nominees in the Strategic Occupations stream, International Graduates were much more likely to have learned about the program through a BC PNP information session (16%) than through an immigration lawyer or consultant (10%), or an employer (4%).

Employers, in turn, tended to find out about the program primarily through prospective or current employees (34%). The next most frequent sources of information were immigration lawyers or consultants (17%) followed by the BC PNP website (14%). Only 3% of employers indicated that they learned about the program through a BC PNP information session.

Larger employers of nominees tended to find out about the BC PNP through immigration consultants or lawyers to a much greater degree than those hiring smaller numbers of nominees. Similarly, larger employers tended to get information more frequently from an industry association, BC PNP information session, or program promotional material. Smaller employers, by comparison, tended to first hear about the program through prospective or current employees.

Based on the survey, entrepreneurs first learned about the BC PNP primarily through a business or immigration lawyer or consultant (33%), the program website (18%), another applicant (15%), or a friend or relative (13%). Only 3% initially became aware of the program through a BC PNP business information session in their home country. The Ministry has indicated that the BC PNP's outreach efforts to recruit foreign entrepreneurs are currently aimed mainly at legal and consulting professionals.

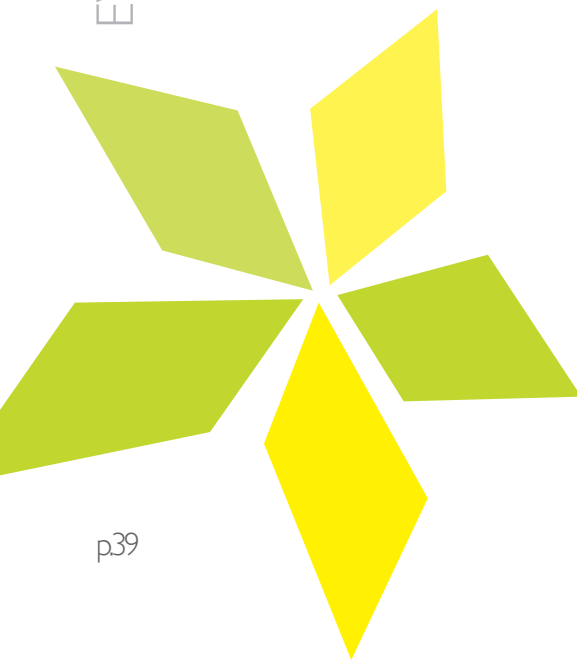
There were also differences in information sources used by Business nominees located in Metro Vancouver compared with those in other regions. Nominees outside of Metro Vancouver were most likely to have found out about the BC PNP through the program website (23% versus 7%), while those in Metro Vancouver were more likely to have learned about the program from a friend or relative (21% versus 8%).

## Monitoring and Reporting

Program monitoring and reporting occurs at two levels, the first being within the Ministry in the form of weekly reporting on progress towards annual targets. Ongoing reporting also takes place in response to requests from Ministry executive and other key decision makers, along with regular updates from the Executive Director responsible for the BC PNP to other executives. Performance in relation to targets is publicly reported through the Ministry Annual Service Plan Report.

The second level is tied to the Federal-Provincial Agreement and includes monthly nomination reports along with an annual program performance report to CIC.

While it appears that program monitoring and reporting is generally meeting needs, there are deficiencies. Through the course of the evaluation some significant data quality and reliability issues were identified including incomplete or outdated contact information, data entry inconsistencies, and a failure to capture certain key information electronically from paper records. These deficiencies were particularly apparent for the Business Entrepreneur stream. These issues created challenges for the evaluation, and suggest that the program's current data collection and reporting systems are inadequate to support rigorous performance management.



## OVERALL CONCLUSIONS AND RECOMMENDATIONS

This evaluation shows that the BC PNP is increasing the benefits of immigration to British Columbia, responding to labour market needs from both a regional and provincial perspective. With a projected 1.1 million job openings in British Columbia over the next decade, and the anticipated reliance on skilled people from outside of the province to fill up to one third of these positions, British Columbia's ability to attract and retain skilled immigrants remains vital.

While there is some overlap with certain federal economic immigration programs (the Federal Skilled Worker program, the Canadian Experience Class, and federal Entrepreneur Program), the BC PNP's focus on meeting specific regional labour market and economic development needs along with priorities clearly differentiates it from these programs, and highlights its continuing relevance.

There are, however, some key issues that need to be addressed to ensure the program's on-going effectiveness:

- There is potential to engage more regional employers, and to focus further on regional priorities such as small business succession, in partnership with economic development groups and other agencies.
- The incidence of low family incomes associated with nominees in both the Entry Level and Semi-Skilled and Skilled Workers categories requires further investigation to better define the risks to the achievement of economic success by these nominees.
- The finding that 68% of nominated entrepreneurs remain actively involved in their company is not conclusive of economic success. Further work is required to track the outcomes for these nominees and their success relative to other entrepreneurs in British Columbia.
- The role of the Entry Level and Semi-Skilled pilot needs to be re-examined in light of the province's projected future need for mainly skilled workers, and in consideration of whether nominees with higher education in this category can move into more skilled occupations.
- The Business stream's Fast Track option should be examined to see if it is attracting the type of entrepreneur intended and effectively promoting investment into areas outside of the Metro Vancouver and Abbotsford areas.
- Currently, the BC PNP monitors and reports regularly on primarily activity-based measures, such as applications received and processed. Combined with issues of data availability and reliability found in the conduct of the evaluation, more effort is needed to strengthen the program databases and the reporting on performance to better support program management needs and demonstrate results.

## Key Recommendations for Moving Forward

The following recommendations to enhance the BC PNP's performance and meet accountability requirements are put forward for the Ministry's consideration:

- Review the role of the Entry Level and Semi-Skilled pilot category in relation to the province's longer-term priority need for highly educated, skilled workers.
- Investigate in more detail the incidence of low family incomes among BC PNP Skilled Workers as well as Entry Level and Semi-Skilled workers to assess the longer-term risks to their success in becoming economically established. Also, assess the suitability of Statistic Canada's LICO as a low income threshold measure and criterion for nomination.
- In cooperation with stakeholders and partners, develop strategies to:
  - a) *Increase regional employers' participation in the program, and enhance support for regional economic development priorities such as small business succession.*
  - b) *Encourage investment into a broader range of business sectors throughout the province.*
- Closely monitor the growth and performance of the Fast Track Option for entrepreneurs with regard to its economic and regional impact compared with that of the Regular Track component of the program's Business categories.
- Explore options to match fees with applicant's desired processing times.
- Implement a formal continuous improvement program to reduce processing times and streamline the application process.
- Improve the quality of program data and develop key performance indicators to provide timely, accurate and relevant information on the results of the program.





# Grant Thornton

Suite 1600, Grant Thornton Place  
333 Seymour Street  
Vancouver, BC V6B 0A4  
T: 604.687.2711  
[www.grantthornton.ca](http://www.grantthornton.ca)