



Immigration Data Analysis

*A Background Paper on Prince
Edward Island's Immigration
Experience*

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EXECUTIVE SUMMARY

- Only 35% of PEI's immigrants fall in the important economic category. Over 48% of immigrants landing in PEI were refugees.
- Taking into account both the principal applicant and dependents, the economic categories represent only 28.2% of all immigrants to PEI. In comparison, total economic categories account for almost 54% of immigrants to Atlantic Canada, and 58.8% of all immigrants coming to Canada.
- PEI is attracting significantly less from the professional group of principal applicants than is the case elsewhere in Atlantic Canada or the country as a whole.
- The very strong orientation that PEI has toward the non-economic classes of immigrants is probably reducing positive impacts that immigration could have on the development of the provincial economy.
- The Province must realign its immigration policy and development strategy to achieve outcomes that match or outpace the Canadian average.

IMMIGRATION DATA ANALYSIS

BACKGROUND

- In 1996, immigrants to Canada accounted for 19% of the labour force and 71% of Canada's net labour force growth between 1991-1996. In the longer term, it is expected that immigration will account for all net labour force growth by 2011 and for total population growth by 2031.
- Recognising the longer-term implications for the economy, the selection of economic immigrants is putting greater emphasis on education, skills and language ability. The number of economic immigrants with post-secondary education is rising. Working age immigrants to Canada with a post secondary degree increased from 41% in 1995 to 57% in 1999.
- In PEI, the working age population (15 – 64 years) is expected to stop growing by 2010 and then begin a long-term decline. The school age population already is in decline, and the college age population is on a long run down trend. The only major demographic that is expected to show accelerating growth is the elderly.

IMMIGRATION LEVELS

- In the 11-year period from 1991 to 2001, total immigration to Canada was 2,465,367 persons. Neither PEI nor Atlantic Canada is a magnet for international immigrants. Of this number, 46,796 or 1.9% immigrated to Atlantic Canada.
- PEI received a total of 1,679 immigrants in the 1991 to 2001 period. This represents 3.59% of the Atlantic region total, and 0.068% of total immigration to Canada.
- In 2001, a total of 3,050 immigrants or 1.21% of the Canadian total, named an Atlantic province as their intended destination.

CUMULATIVE IMMIGRATION LEVELS, 1991 – 2001

Prince Edward Island		Atlantic Region		Canada	
Number of Immigrants	Percentage	Number of Immigrants	Percentage	Number of Immigrants	Percentage
1,679	3.59% of Region 0.068% of Canada	46,796	1.90% of Canada	2,465,367	100%

Source: Citizenship and Immigration Canada.

Immigrants' Intended Destination, 2001

Province	Number of Immigrants	% of Canada
Newfoundland and Labrador	402	0.16
Nova Scotia	1,711	0.68
Prince Edward Island	135	0.05
New Brunswick	802	0.32
Total Canada	250,386	

Source: Citizenship and Immigration Canada.

COUNTRIES OF ORIGIN

- In the period 1996 – 2000, PEI received a total of 764 immigrants in all classes. This amounts to 0.08% of total immigration to Canada in the same period.
- The top five sources of immigrants to Canada are quite different from the top five sources of immigrants settling in PEI. In the 1996 – 2000 period, the top ranked source of immigrants to Canada was China (Hong Kong and the PRC).
- Since the 1960s, there has been a gradual shift in source countries from Europe to Asia. From the 1980s onward, Asian source countries have risen to dominance, and have created new community integration challenges.
- Historically, the majority of immigrants, even those who initially land elsewhere, choose to live in Toronto, Vancouver or Montreal. This movement to large centres is especially pronounced among immigrants from major source countries, including China, India, Pakistan, the Philippines, Korea, Taiwan and Hong Kong.
- In contrast, the top ranked sources for PEI were Bosnia (1996 – 1999), and Yugoslavia (2000). A total of 152 immigrants (slightly more than 19.8%) originated in these two jurisdictions.
- Since September 11 2001, steps have been taken to tighten control over entry into Canada. Consequently, it may take significantly longer for Canadian visas to be issued to immigrants under the various immigration programs. Prior to September 11, the typical waiting period from application submission to visa issuance was 18 to 24 months. This waiting period could increase in the near future.
- In addition, enhanced scrutiny of applicants will produce more refusals than in the past. In cases of doubt, otherwise worthy applications will be tarnished and may be turned down in the interests of greater immigration security.
- There may be difficulties getting immigrants from the top ranked sources for PEI. Bosnia, Afghanistan, Egypt, and Iran all have Muslim majorities. Ethiopia has a significant Muslim minority (40%), and Muslims account for 20% of the Yugoslavia population. The identity situation in Croatia is complicated, but it appears that there is a growing Muslim community in the country.

- Excluding Croatia, in the 1996 – 2000 period a total of 223 immigrants originated in jurisdictions with substantial Muslim populations. At least 166 or 21.7% of immigrants to PEI originate in jurisdictions with Muslim majorities. These are principally jurisdictions that are likely to come under increased scrutiny by immigration and security officials.

Top Ranked Sources of PEI Immigrants, 1996 - 1998

Rank	1996	1997	1998
1	Bosnia (40)	Bosnia (21)	Bosnia (26)
2	Hong Kong (18)	Taiwan (19)	China (20)
3	USA (18)	USA (11)	USA (16) Afghanistan (4)
4	Guatemala (17)	Egypt (11)	Taiwan (14)
5	Afghanistan (7)	Afghanistan (8)	Croatia (8)

Source: Citizenship and Immigration Canada.

- In effect, PEI may experience a higher rate of refusals for prospective immigrants from these jurisdictions, and will have longer waiting periods to comply with enhanced background security verification.
- Most recently, in the 1999 – 2001 period, PEI’s top five countries are the USA, Yugoslavia, and the UK. However, there are another 8 countries that only appear once each in the three-year period.
- In contrast, during the same period, the top five source countries for Canada were not only unchanged throughout the period, they held their rankings for three years straight (the top five in order are the People’s Republic of China, India, Pakistan, Philippines, and the Republic of Korea).
- Of the top five source countries for Atlantic Canada, three were on the list for the whole period (People’s Republic of China, USA, and Kuwait), and the other two appeared in two of the three years (UK and Yugoslavia).
- In other words, PEI’s immigration source countries are subject to significant variation on a year over year basis, reflecting the nature of the immigrants being sourced (see below regarding refugee category). It may also be indicative of a lack of long range planning to build a policy relationship between provincial development priorities and immigration policy.

PEI'S TOP FIVE SOURCE COUNTRIES, 1999 – 2001

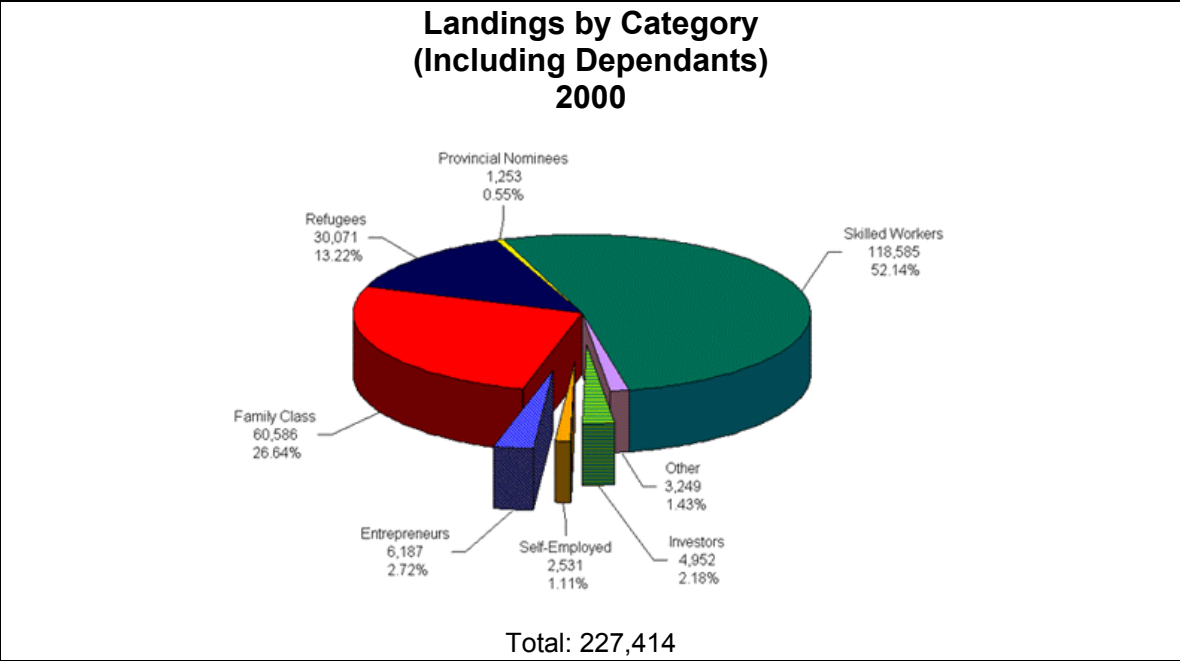
1999			2000			2001		
Number	Country	Percent	Number	Country	Percent	Number	Country	Percent
17	Bosnia	13.6%	48	Yugoslavia	25%	22	USA	16.4%
11	Germany	8.8%	15	Afghanistan	7.8%	14	Netherlands	10.5%
11	USA	8.8%	14	USA	7.3%	13	Yugoslavia	9.7%
9	Ethiopia	7.2%	11	Italy	5.7%	10	Sudan	7.5%
8	Myanmar	6.4%	10	UK	5.2%	8	UK	6.0%

	Number	Percent	Number	Percent	Number	Percent
Total Top Five	56	44.8%	98	51.04%	67	50.00
Total, Other	69	55.2%	94	48.96%	67	50.0%
Total	125	100%	192	100%	134	100%

Source: Citizenship and Immigration Canada.

IMMIGRANT CATEGORIES

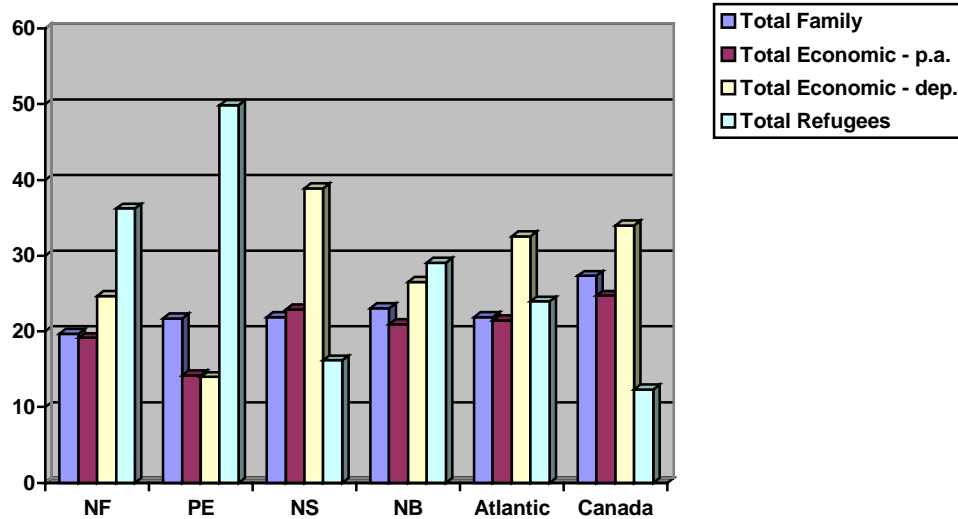
- PEI's mix of immigrant categories diverges from that of Canada in several noteworthy respects.
- Of the immigrant categories arriving in PEI in the 1996 – 2000 period, over 48% of immigrants were in the refugee category, and 15.6% were in the family category. Only 35% of PEI's immigrants fell into the important economic category.
- This is a significant departure from the overall Canadian results during the same period. Across Canada, the economic category accounts for 45.5% of immigrants, followed by the family (28.6%) and refugee (12.6%) categories. In 2001, 61% of immigrants to Canada entered through the economic category (in the family category the entries were 27% and refugees 11%).



Source: Citizenship and Immigration Canada, Business Immigration Statistics 2000.

- Refugees represent 49.9% of all immigrants to the province in the 1999 – 2001 period. For Canada as a whole, refugees represent 12.3% and for Atlantic Canada account for 23.9% of the total immigrants.
- Total economic categories (i.e., principal applicant, and dependents) amount to 28.2% of all immigrants to PEI. This is the lowest proportion among the Atlantic Provinces. In comparison, total economic categories account for almost 54% of immigrants to Atlantic Canada, and 58.8% of all immigrants coming to Canada.
- Family category immigrants coming to PEI account for 21.7% of the total, which is in line with the results for the other Atlantic Provinces. On a regional basis, 21.9% of immigrants enter under the family category. For Canada, the figure is 27.3%.

Immigration to Atlantic Canada by Immigrant Category, 1999 – 2001 (%)



- However, there is a problem with retention in the region. It appears that this issue is also affecting PEI. Based on 1996 Census data, Atlantic Canada has one of the lowest retention levels in the country for immigrants in all classes.

Immigrants Residing in Same Province in 1996 as Named At Time of Landing, by Period of Landing

Period of Landing	1981-1985	1986-1990	1991-1995	1981-1995
Canada	78%	84%	88%	85%
Atlantic Region	57%	54%	51%	53%
Quebec	71%	65%	75%	71%
Ontario	88%	90%	90%	90%
Manitoba	58%	64%	82%	68%
Saskatchewan	37%	43%	67%	50%
Alberta	63%	76%	81%	74%

Source: CIC, Towards a More Balanced Geographic Distribution of Immigrants, May 2001, p. 19

- Atlantic region data show that, once landed in Atlantic Canada, there is a net loss of immigrants in every immigrant category. The out-migration of skilled workers (28.4%) and business immigrants (19.6%) is substantial. As these are key categories

that harbour talents and knowledge essential to economic development and scientific innovation, this trend over the last 20 years needs to be addressed.

Movers and Non-Movers by Immigration Category, Atlantic Canada, 1980 – 1995

Immigrant Category	Destined at Landing		Out-migration		In-migration		Net Migration
	#	%	#	%	#	%	#
Business	3503	16.3	2025	19.6	220	8.3	-1805
Family	5975	27.8	1995	19.3	900	33.6	-1095
Other	970	4.5	190	1.8	115	4.2	-75
Refugee	4335	20.1	3185	30.8	330	12.3	-2855
Skilled Worker	6730	31.3	2930	28.4	1115	41.6	-1815
Total	21515	100.0	10325	100.0	2680	100.0	-7645

Source: Citizenship and Immigration Canada, The Interprovincial Migration of Immigrants to Canada, IMBD Profile Series, January 2000, page 38. 1995 tax year data.

- According to the January 2000 study by Citizenship and Immigration Canada titled “The Interprovincial Migration of Immigrants to Canada,”
 - Almost 31% of all out-migrants (the largest share) from the Atlantic Provinces were admitted to Canada as refugees – 3,185 of the 4,335 refugees destined for the region over the 1980 to 1995 period (over 73%) left by the 1995 tax year. With in-migration of 330 refugees from other provinces, this category was the most severely eroded for Atlantic Canada.
 - The second largest loss for Atlantic Canada was seen in the business class. On a net basis (after accounting for in-migration) Atlantic Canada was left with less than

half the 3,505 business immigrants originally destined for the region.

- Tax filers in the skilled worker category accounted for 41.6% of all movers into the Atlantic region between 1980 and 1995, and 28.4% of movers out of the region. However, with the much larger overall out-migration the region experienced, it still saw a net loss of 1,815 immigrant tax filers who landed in this category.
- The very strong PEI orientation toward the non-economic classes of immigrants is probably reducing positive impacts that immigration could have on the development of the provincial economy.
- The commercial results of the Provincial Nominee Program will not be apparent for some time, as PEI implemented the program late in 2001. However, this might be one tool that could be used more effectively.

IMMIGRANT SKILL LEVELS

- In order to be effective, the Provincial Nominee Program needed a skills shortage identification process. A PEI survey was conducted to identify skill shortage occupations. A skill shortage was defined as a position that an employer had not been able to fill for a minimum of six months. The survey was conducted in the fall of 2001.
- Fields in which skill shortages were identified or anticipated included aerospace, biotechnology, construction/trades, manufacturing and processing sectors, the information technology sector, health, and advanced education.

SKILLED WORKER CLASS: PEI IMMIGRANTS, 1996 - 2000

	1996	1997	1998	1999	2000
Principal Applicants	12	13	12	10	17
Dependents	11	27	18	2	22
Total Immigrants, Skilled Class	23	40	30	12	39
Total Immigrants, All Classes	154	145	136	137	192
Principal Applicants, % of Total Immigrants	7.7%	8.9%	8.8%	7.2%	8.8%

Source: Citizenship and Immigration Canada.

- All principal applicants in the economic category arrive in PEI with the intention of working. The single largest group of these persons possesses managerial skills (33.9%). In contrast, the Atlantic region and Canada as a whole show significantly less reliance on immigrants for this skill set.

ECONOMIC PRINCIPAL APPLICANTS, SKILL LEVELS, 1999 - 2001

Skill Category	PEI (%)	Atlantic Canada (%)	Canada (%)
Management	33.9	9.2	5.6
Professionals	30.5	57.4	64.5
Skilled & Technical	27.1	16.6	21.3
Intermediate & Clerical	3.4	2.2	3.1
Elemental & Labourers	0.0	0.05	0.10

Source: Citizenship and Immigration Canada.

- Professionals are the majority of economic principal applicants in Atlantic Canada (57.4%) and Canada (64.5%). At 30.5%, PEI is attracting proportionately less from the professional group.
- This should be examined from a development perspective, insomuch as 78.5% of Newfoundland's, 50.8% of Nova

Scotia's, and 66.3% of New Brunswick's economic principal applicants are professionals.

IMMIGRANT EDUCATION LEVELS

- At 12.5%, PEI accepts more immigrants with high school completion or less, than the region as a whole (9.4%) or Canada (5.5%).
- Economic principal applicants with 9 years of schooling or less account for 7.9% of immigrants destined for PEI. This compares unfavourably with the 3.2% coming to the Atlantic region, and the 1.9% coming to Canada.
- PEI accounts for 7.8% of economic principal applicants with trades certificates, which is the largest proportion of all the Atlantic Provinces. The second highest is Nova Scotia at 6.5%, and the lowest is Newfoundland at 1.3%.
- 5.7% of applicants bound for Atlantic Canada, and 4.6% of those coming to Canada hold trades certificates.
- Other non-university diplomas are held by 15.6% of PEI bound applicants. This is about twice as many as Atlantic Canada as a whole (almost 8%), and Canada (8.3%).
- Non-university diploma and trades certificate holders combined account for 23.4% of PEI bound principal applicants. In contrast, this is true of only 13.6% of those coming to the region, and 12.9% of those coming to Canada.
- The single largest proportion of PEI bound principal applicants hold Bachelor's degrees (32.8%). However, this is the lowest proportion among the Atlantic Provinces, and well below the Atlantic region (45.4%) and Canada (53.3%).
- Principal applicants coming to PEI with post-graduate training (Master's degrees and Doctorates) represent 21.9% of the total. This compares with the Atlantic Canada (26.9%), and Canada (almost 24%) proportions.
- However, within the region, 43.8% of Newfoundland's principal applicants have post-graduate training. The amount bound to Nova Scotia is 21.2%, and to New Brunswick 32.8%.

**MOVERS AND NON-MOVERS BY EDUCATION LEVEL,
ATLANTIC CANADA, 1980 - 1995**

Education Level	Destined at Landing		Out-migration		In-migration		Net Migration
	#	%	#	%	#	%	#
0 to 12 years	9335	43.4	4815	46.6	865	32.2	-3950
13+ years	2085	9.7	975	9.5	265	10.0	-710
Trade Cert	2510	11.7	1100	10.7	290	10.9	-810
Non-Univ	1620	7.5	660	6.4	230	8.5	-430
BA	3940	18.3	1980	19.2	655	24.6	-1325
MA/PhD	2025	9.4	795	7.7	370	13.8	-425
Total	21515	100.0	10325	100.0	2675	100.0	-7650

Source: Citizenship and Immigration Canada, The Interprovincial Migration of Immigrants to Canada, IMBD Profile Series, January 2000, page 39. 1995 tax year data.

- The provincial share of higher degrees and post-graduate training is relevant in terms of permanent settlement in PEI.
- According to the January 2000 study by Citizenship and Immigration Canada titled “The Interprovincial Migration of Immigrants to Canada”,
 - Interprovincial migration by level of education for the 1980 to 1995 period is fairly uniform. In other words, if a province lost 20% of its immigrants through migration, it lost roughly the same proportion in each of the educational categories.

- However, the Atlantic Provinces lost a disproportionately high number of immigrant tax filers with 0 to 12 years of schooling while it better retained those with graduate degrees. On a net basis the Atlantic lost over 42% of its immigrant tax filers with 0 to 12 years of schooling by the 1995 tax year (3,950/9,335), but lost only 20.9% of those with Master's Degrees or Doctorates.

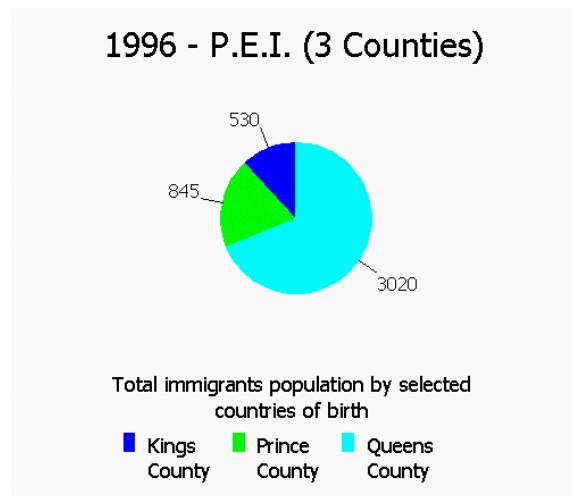
ECONOMIC PRINCIPAL APPLICANTS, EDUCATION LEVELS, 1999 - 2001

Education Level	PEI (%)	Atlantic Canada (%)	Canada (%)
0 - 9 years	7.81	3.23	1.88
10 – 12 years	4.69	6.15	3.57
13 or more years	9.38	4.66	4.43
Trade Certificate	7.81	5.67	4.59
Non-university diploma	15.63	7.95	8.32
Bachelor's degree	32.81	45.42	53.25
Master's degree	7.81	20.08	15.65
Doctorate	14.06	6.84	4.32

Source: Citizenship and Immigration Canada.

DISPOSITION OF IMMIGRANTS BY LOCALITY

- Immigrant populations landing in PEI in each period of immigration (before 1961, 1961 – 1970, 1971 – 1980, 1981 – 1990, and 1991 – 1996) have settled predominantly in Queen's.



- On a cumulative basis, Queen's County has received 68.7% of all immigrants to PEI. Prior to 1961, Queen's County received less than 65% of immigrants. Since 1961, there has been a growing proportion of the immigrant population settling in Queen's County. The trend appears to have peaked in the 1981 – 1990 period when it reached 77.7% of the immigrants. In the most recent 1991 – 1996 period, the share settling in Queen's has dropped to 70.1%.
- Three countries account for the majority of immigrants who have settled in each county: The United States, the United Kingdom, and the Netherlands. Immigrants from these three jurisdictions represent 80% of immigrants who settled in King's County, 68.7% who settled in Prince County, and 61.1% of those who settled in Queen's County.
- Other significant sources include Germany (6.7%) and Belgium (3.8%) in King's County, Germany (5.9%) and Hong Kong (5.9%) in Prince County, and Germany (4.8%) and the People's Republic of China (4%) in Queen's County.
- On a Census Sub-Division basis, the total immigrant population has settled predominantly in Charlottetown, Summerside, Stratford, and Cornwall. These four communities account for 57.55% of all immigrants that have settled in PEI.
- Approximately 465 persons or more than 15% of the immigrants in Queen's use a single non-official language at home. In Prince, 8.3% use a non-official language at home, and in King's the proportion is 1.9%. When multiple responses are included, the proportion rises for Queen's (22%) and Prince (33.1%).
- According to the January 2000 study by Citizenship and Immigration Canada titled "The Interprovincial Migration of Immigrants to Canada",
 - The greatest losses for the Atlantic Provinces, Manitoba and Saskatchewan were of immigrants who reported no official language ability at landing. Of almost 6,000 immigrant tax filers with no English or French language ability destined to the Atlantic over the 1980 to 1995 period, 4,000 left the region by 1995 – over the same time period only 445 moved in.
 - Immigrant tax filers who reported ability in English at landing was the group that experienced the highest erosion from the province of Quebec. By 1995 Quebec

was left with over 24% fewer immigrant tax filers who spoke English only at landing. In contrast to this, Quebec saw a net loss of only 3.7% of immigrants who reported only French language ability.

INVESTMENT DIMENSION

- Since 1990, there have been six investment funds established by the PEI Government that attract foreign immigrant investment capital. PEI Government Economic Funds Inc. I through V (1990 – 1999), and the PEI Century 2000 Fund Inc. (2000) have raised a total of \$98.8 million.

- The proceeds by fund and year are:

Fund I	\$22.5M	1990
Fund II	\$21.0	1994
Fund III	\$20.4	1996
Fund IV	\$20.8	1997
Fund V	\$11.1	1999
Century	\$3.1	2000

- The proceeds of the first syndicated fund raised \$22.5 million, which was invested exclusively in renovating and expanding a golf course facility, and a resort/hotel. The original investors in this fund have all been repaid.
- The subsequent fund syndications have been invested in a variety of projects, including manufacturing, tourism, processing, fabricating, technology, services, and research facilities in the province.
- Federal data extending back to 1986 indicate that PEI has been very effective at attracting immigrant investment dollars. Between 1986 and 2000, PEI had raised more than \$269.5 million.
- This represents the second best Atlantic Canada performance, and is comparable to the performance of Alberta (\$332.0 million). In the same period, Ontario raised only \$165 million or 2.86% of the Canadian total.
- In calendar 2000, PEI raised almost \$5.4 million or 55.9% of the total subscriptions raised in Atlantic Canada.

**Immigrant Investor Program, Fully Paid Subscriptions
by Atlantic Province, January 1, 1986 to December 31, 2000**

Province	Subscriptions	% of Atlantic	% of Canada
New Brunswick	\$165,350,000	20.31%	2.87%
Newfoundland	\$65,600,000	8.05%	1.14%
Nova Scotia	\$313,400,000	38.50%	5.44%
PEI	\$269,582,193	33.12%	4.68%
Total, Atlantic Canada	\$813,932,193	100%	14.13%
Total, Canada	\$5,760,797,000		100.00%

Source: Citizenship and Immigration Canada, Business Immigration Program Statistics 2000.

Note: Figures for PEI include allocations made under the new Immigrant Investment Program (IIP).

**Immigrant Investor Program, Fully Paid Subscriptions
by Atlantic Province, January 1, 2000 to December 31, 2000**

Province	Subscriptions	% of Atlantic	% of Canada
New Brunswick	\$3,750,000	38.9%	0.56%
Newfoundland	\$250,000	2.6%	0.04%
Nova Scotia	\$250,000	2.6%	0.04%
PEI	\$5,382,193	55.9%	0.80%
Total, Atlantic Canada	\$9,632,193	100%	1.43%
Total, Canada	\$672,950,000		100.00%

Source: Citizenship and Immigration Canada, Business Immigration Program Statistics 2000.

Note: Figures for PEI include allocations made under the new Immigrant Investment Program (IIP).

CONCLUSIONS AND RECOMMENDATIONS

Strategic Focus: Attracting Skilled Immigrants

- The Province must realign its immigration policy and development strategy to achieve outcomes that match or outpace the Canadian average.
- Competition for skilled workers is growing internationally. The United States and other countries are developing immigration related strategies to attract persons with skills in short supply. Other Canadian provinces are developing more effective immigration attraction and retention strategies. PEI clearly needs to assess its approach to attracting skilled immigrants, and consider how best to attract highly qualified people for both traditional and emerging industries and institutions in the province.
- At the time of the 1996 Census, PEI had a total of 4,385 persons who had emigrated from foreign jurisdictions to the province. This represents about 3.3% of the population. The 1999 PEI Population Strategy as well as the July 16 2002 Statistics Canada release on the aging of the Island population make clear that future growth will depend upon a successful immigration strategy.
- The 1996 Census data show that working age immigrants in the most recent five year period (1991 – 1995) had an average of 14 years of education, and nearly 30% had university degrees. It is clear that skilled, highly trained immigrants could make a significant contribution to the development of the Island knowledge economy.
- Considerable community and institutional efforts are involved with welcoming and settling refugees in the province. This time, energy, and money might be more efficiently deployed. If the PEI situation mirrors that of Atlantic Canada, the overwhelming majority of refugees landing in PEI eventually depart for larger urban centres outside the region.
- Similarly, PEI accepts more principal applicants in the economic class with less than high school education than does the region or the country as a whole. Indeed, across the entire range of higher educational qualifications, PEI lags other Atlantic provinces, the region as a whole, and Canada.

- The out-migration occurring due to an inability to meet wage and occupational expectations compounds the cumulative socio-economic costs accruing to PEI.
- To achieve its purpose of attracting and retaining a higher proportion of skilled (economic class) immigrants, Prince Edward Island will need to sculpt a smart, forward thinking immigration strategy.
- An integrated set of initiatives will be needed to grow the population and the economic base by using immigration policy as a key development instrument. The PEI Government will need to work closely with local communities to market the province, identify opportunities and put in the place programming that promotes integration. A close working relationship with the federal immigration authorities is also important.
- Such an approach also offers the promise of being able to develop an immigrant investment program to secure investment funding for strategic provincial projects.
- In other words, PEI's immigration strategy must be a very focused approach to meet the province's specific development objectives. This provincial perspective will remove the sense of competition for immigrants that would otherwise occur in an approach that envisions the struggle as a head-to-head engagement with major urban centres in Canada - Toronto, Vancouver, and Montreal - that are magnets for immigrants. Clearly, this is not a contest in which PEI can prevail, nor does it need to do so.

Addressing the Foreign Credentials Question

- Immigrants applying for a permanent status in Canada have problems getting their foreign work experience and credentials recognised in Canada. In some cases, these problems arise from a lack of information on certification and licensure.
- Applicants under the skilled workers class are of particular importance. Potential immigrants from countries with educational and training systems similar to Canadian system generally experience fewer problems having their skills and credentials verified.
- The PEI data suggest that immigration can contribute to net population growth only if immigrants can find relevant job opportunities. When employment opportunities are

unavailable, immigrants relocate to centres that offer greater economic opportunity, and a more robust socio-cultural support system

- In 2001, the Conference Board of Canada released a study on the *Brain Gain: The Economic Benefits of Recognizing Learning and Learning Credentials in Canada*. The study identifies the non-recognition of immigrants' foreign credentials as the single most significant problem in the area of learning recognition in Canada.
- The conclusions reached point out that,

“The non-accreditation of immigrant professionals costs Canada and other developed countries through forgone income and taxes and through income support given to unemployed or underemployed professionals. Canada also spends considerable sums on the education and retraining of immigrants, some of it unnecessary or redundant. Finally, there are increased costs to the welfare system, social services and the justice system.” (p. 29)
- It hardly needs to be pointed out that the provincial governments, including the Government of Prince Edward Island, are called upon to absorb a substantial portion of these associated costs and forgone tax sources.
- The study further comments that,

“Nearly half of the immigrants accepted into Canada enter as “independents” or “skilled workers,” yet many cannot gain entry into the profession or trade for which they hold foreign credentials. Beyond the challenges of adapting, they face the difficulty of getting their credentials recognized by Canadian employers and professional organizations. Getting accreditation in Canada often means dealing with no fewer than four major institutional stakeholders: post-secondary education institutions, provincial governments, professional self-regulating bodies and employers. Too often, accreditation assessments are made on the basis of imperfect information regarding the market value of professional credentials and involve unstandardized methods of evaluation.” (p. 29)
- The Conference Board of Canada 2001 Household Survey uncovered that non-recognised learning affected the ability of 41.5% of respondents to gain employment in Canada, and prevented 14.8% from practicing in their desired occupation. Of those unable to practice in their desired occupation,

“The most common case was the person who would like to work in a professional occupation (e.g., accountant, engineer, doctor) but, even though in possession of full or partial credentials that would qualify the individual for the position sought, was presently employed as a manager or in a low-skilled sales, clerical or production job.” (p. 21) The technical and professional categories were the ones where the issue was paramount (p. 22).

- Further insight into the factors leading to the movement of immigrants away from PEI and the region is available by looking at the experience of educated residents themselves. The Maritime Provinces Higher Education Commission study *2000 Follow-up Survey with the Class of 1996 Maritime University Graduates*, provides disturbing data on the mobility patterns of university students and recent graduates. Over all, the survey paints a convincing picture of the role that low wages and a lack of jobs play in the decision to leave PEI and the Atlantic region. The MPHEC report titled “Who Stays and Who Leaves: Mobility Patterns of Maritime University Graduates, Class of 1996 in 1997 and 2000,” appeared in Vol. 1, March 2002 edition of Trends in Maritime Higher Education.
- After reviewing the data for residents of the Atlantic Provinces, this report concluded by making some observations relevant to PEI:

“Those most likely to leave their home province to attend university are from PEI, are young, and have parents with a combined level of education of Bachelor’s or above.

The greatest loss of graduates from their home province occurred first to go to school in another Maritime province, and second, within the first year after graduation.”
- The report goes on to say,

“The early leavers are easily identified. They are for the most part younger, and more likely to be men. This follows the pattern of the general population. Among the three provinces, Prince Edward Island suffers the greatest loss of new graduates.

Perhaps more alarmingly, graduates from the Engineering and Applied Science, Mathematics and Physical Sciences, and Information Technology fields are more likely than graduates of other fields to leave, and to leave early.”
- There is then a deficit that has an immediate effect on the knowledge capacity of the economy. However, because these are young people, the other key thing that leaves with them is fertility. It should be no surprise that PEI is experiencing a decrease in fertility rates: it is losing its childbearing population.
- The study also notes that,

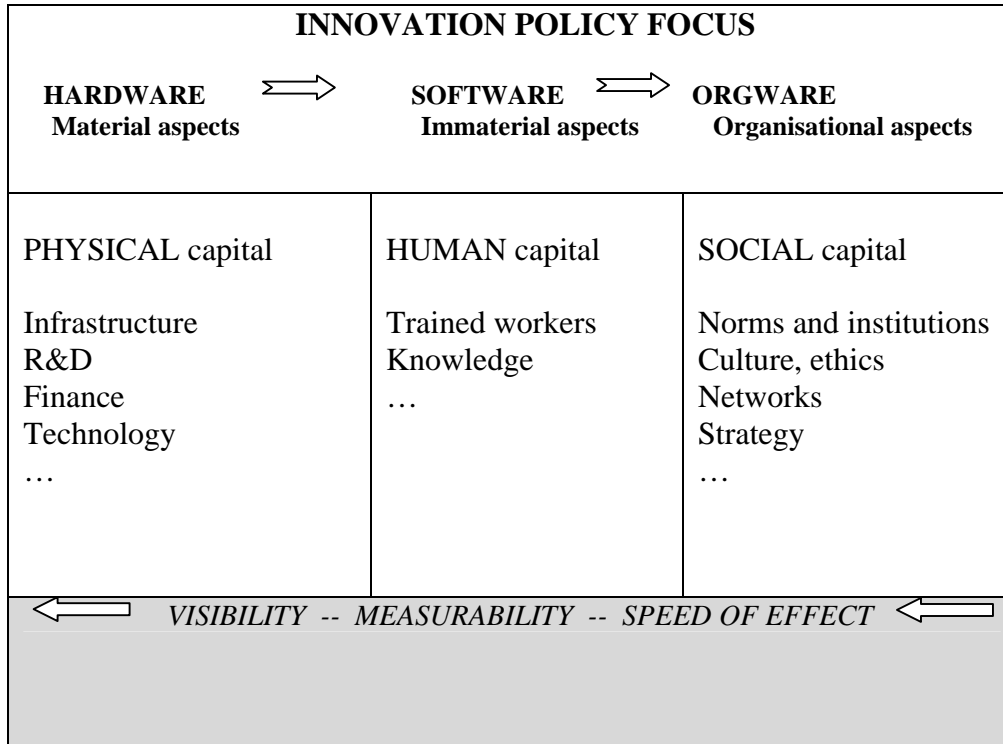
“Migration between one and four years after graduation also depends to some extent on early employment experiences. Relatively lower earnings, job dissatisfaction, holding a non-permanent position, and joblessness as reported in 1997 increased the likelihood that a graduate would be living outside the region by 2000. Thus, the choice, or opportunity, to change jobs also opens up the opportunity to move.”

- On its face, the situation being described appears to be rather similar to the apparent causes of secondary migration from PEI and the Atlantic region as a whole.
- From a prescriptive perspective, the MPHEC suggests that,

“It would seem, then, that there is a narrow, but well-defined window of opportunity for any government intervention intended to retain university graduates. Given that graduates who leave are more likely to do so within the first year following graduation, policies would have to be aimed at the target group soon after, or probably in the months just prior to, graduation in order to be effective. Because there is an identifiable group of early leavers – graduates of Engineering and Applied Science, Mathematics and Physical Sciences, Information Technology such policies could be focused on these fields.”
- This is advice that is probably applicable to the field of immigration, and may need to be factored into strategic planning around settlement and support for new immigrants to PEI.
- Appropriately assessing the value of post-secondary credentials and professional and trades qualifications would allow for the local economy to more fully realize the benefits from the presence of skilled immigrants. It would also lay the groundwork for the long-term presence of immigrants, and their full integration into the socio-economic fabric of the Island.

Innovation and Immigration Policy

- It should be clear from the foregoing that immigration policy objectives are associated with the capacity of a jurisdiction to develop a knowledge-based, innovation-centred economy. Conceptually, gradual movement toward sustainable provincial innovation policies requires an appreciation of the role played by the organic aspects of society.



Source: Claire Nauwelaers, "Path Dependency and the Role of Institutions in Cluster Policy Generation, in *Cluster Policies – Cluster Development?*, (Nordregio, 2001) edited by Åge Mariussen, page 96.

- As Nauwelaers illustrates, innovation tends to be understood as a mechanistic process where more formal inputs lead to automatic outputs (more R&D leads to more innovation). However, it can perhaps be more fruitfully viewed as a socially embedded dynamic where immaterial aspects of the process also play a key role.
- In this view, human resources and knowledge are key development factors enabling the value-added processing of physical resources. They are the longer term essential resources needed for sustainable innovation processes and strategies. Clearly, the appropriate human capital needs to be acquired either through educational measures at home or through inbound domestic and international migration. There are no other options.
- It bears noting as well that as one begins to move into the immaterial realm policy becomes less measurable, and supporting policy actions take longer to produce desired effects. In the context of immigration policy, the time horizon for achieving policy objectives is likely on the order of five to ten years.

Influencing Federal Immigration Policy and Programming

- In June 2001, the Canada – PEI Immigration Agreement was signed. The agreement covers a variety of immigration subjects, as well as establishing the five-year Provincial Nominee Program. The agreement is intended to ensure that PEI's needs are better reflected in setting the number of immigrants to be admitted to Canada each year, and in decisions relating to the selection and recruitment of immigrants. The federal government will continue to determine national policy, annual plans and admission and selection standards for immigration. At the same time, the federal government committed to work with the Province to tailor these activities to meet PEI's unique needs.
- One way the agreement accomplishes this is through the Provincial Nominee Program. Under the pilot program, the Province may nominate up to 200 individuals annually for a period of five years for immigration based on skills and entrepreneurial assets that they possess. The Provincial Nominee Program in particular will enable Prince Edward Island to recruit immigrants who have potential to make a significant contribution to the provincial economy.
- PEI has numerous opportunities under the Canada-Prince Edward Island Immigration Agreement to influence national policy and perceptions on immigration issues. Because the agreement formalizes cooperation between Canada and PEI for the promotion and recruitment of immigrants to the province, specific areas in which the province can exercise an influence are identified in the agreement. Significant opportunities exist for PEI to shape the national policy perspective including,
 - *Policy Development and Levels Planning:* Canada shall consider PEI's demographic, social and economic objectives and needs when developing the Multi-Year Immigration and Refugee Plan, which is tabled with Parliament each year, and when developing immigration policy in general.
 - *Selection, Admission and Control:* the agreement provides PEI with an opportunity to influence selection and control policies through bilateral and multilateral consultations. Canada will continue to establish national immigration standards and objectives, and determine who is admissible to Canada.

- *Information Sharing and Research:* the agreement provides a framework for sharing information and cooperating on research related to immigration.
- *Consultation:* a joint coordinating committee is established to discuss agreement implementation and other matters related to the agreement. The committee must meet at least once a year. Canada and PEI are also recognised as able to consult each other on immigration issues, either bilaterally or on a multilateral basis.
- A key focus for exercising influence, for example, could be on locality promotion. Charlottetown and smaller centres in the province may appeal to immigrants drawn to smaller settings that offer a combination of city advantages and community culture. In this respect, PEI can offer significant benefits, including diverse lifestyles, cultural amenities, and access to professional development at local education and training facilities.

Strengthening the Provincial Nominee Program

- Of course, the major instrument provided for under the agreement is the Provincial Nominee Program. The Provincial Nominee Program provides PEI with a mechanism to increase the economic benefits of immigration to the Province, based on industrial and economic priorities and labour market conditions. Under this program, PEI may nominate up to 200 applicants and their accompanying family members per year over a 5-year period that it has identified as being of significant benefit to the province's economic development, and as being likely to successfully establish in PEI.
- The program is committed to use these nominations to fill skills that are in short supply, and to nominate individuals who wish to start a business or invest in a business in PEI and take an active role in the management of operations.
- Canada and Prince Edward Island will jointly develop an evaluation framework and carry out an evaluation of the nominee program. The evaluation will assess Prince Edward Island's recruitment strategies, analyse the extent to which the nominees have benefited Prince Edward Island's industrial and economic development, and evaluate how successfully nominees have established themselves in Prince Edward Island.

- Accordingly, PEI should be taking full advantage of the federal-provincial arrangement to elaborate improvements to the program even before its formal expiration date.
- Clearly, there is a significant obligation on the provincial government in terms of adequately resourcing this initiative and organising appropriately within the bureaucracy if the province is to benefit fully from it.

Reinforcing Interdepartmental Coordination and Control

- The Immigration and Investment Division, Department of Development and Technology, is the focal point for Prince Edward Island on policy issues concerning immigration and investment, including the management and operation of Island Investment Development Inc. (Island Funds) and the Prince Edward Island Century 2000 Fund. The Division is also responsible for other areas of immigration policies, including the Canada – PEI Immigration Agreement and associated federal – provincial protocols, resettlement programs, humanitarian issues regarding refugees and federal immigration policy issues. The Division also is tasked to provide referrals for the verification of foreign work experience or credentials.
- A mandate of this magnitude implies an active interdepartmental agenda that includes immigration. Accordingly, a review of the current institutional arrangements within the provincial government would be useful in other ways as well. Such a review process would identify specific organisational and authority gaps that are impeding or could impede effective formulation and implementation of provincial immigration policy. It might also identify the need for specific internal coordinating mechanisms to expedite the resolution of immigration issues within the provincial government.

Coherence with Civil Society Groups

- A related area that may require some attention is the provincial relationship with civil society participants and community support organisations, including the PEI Association for Newcomers to Canada. The association is a member of the Atlantic Region Association of Immigrant Serving Agencies. The PEI Association is guided by a Volunteer Board of Directors, many of whom are newcomers to Canada. The Association produces education and information materials, and provides services that include an Employment Assistance

Service, Community Outreach Program, a Settlement Program, and a Host Program.

- A lack of immigrant language capability is associated with moving out of the Atlantic Provinces. This is an area in which further immigrant support might be examined. In addition, capturing some of the secondary immigration out of Quebec may be a low cost strategy worth examining.

Areas for Further Research and Analysis

- Areas in which further research would be useful for immigration policy purposes includes attraction and retention of skilled workers, including the key issue of credentials recognition; local community integration; and settlement and employment services.
- Foreign jurisdictions (Belgium, United Kingdom, and Australia), as well as the provinces of Quebec and Manitoba have started pilot projects to attract skilled workers and settle immigrants outside major urban centres. An examination of these programs could provide useful policy guidance for PEI, and offer elements that could be adapted to develop a specific PEI attraction/retention model.
- Unlike most other provinces, PEI has an official presence in Asia, which gives the province a window on potential immigrants especially from Greater China (Hong Kong, Taiwan, mainland China) and Southeast Asia. These jurisdictions are among the top sources of immigrants to Canada. PEI could increase immigration flows to the province by a focused marketing of PEI communities through the PEI office in Hong Kong. A specific strategy to support this initiative could be developed as a further step in fashioning a new immigration approach for PEI.