
Retention and Earnings of Provincial Nominees

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The Provincial Nominee Programs

- Programs were the result of a series of agreements between individual provinces and the federal government.
- Provinces are permitted a direct role in selecting immigrants.
- The program was limited in scope initially, but has grown rapidly.
- Some provinces (Manitoba & B.C.) also opted to take over provision of settlement services.



Goals of the Nominee programs

Included:

- Sharing the benefits of immigration more equitably between the various parts of Canada (recent immigrants were disproportionately settling in Toronto, Vancouver and Montreal).
- Allowing provinces to recruit immigrants to meet local labour market needs.
 - For example, Manitoba wanted skilled tradespeople that did not qualify for the Federal Skilled Worker program.



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Objectives

- Using the IMDB, a data set which merges landing documents with subsequent tax records to answer two questions:
 - Do Nominees remain in the province through which they obtain permanent residence status?
 - How have the labour market outcomes of Nominees compared to those of economic immigrants arriving through the federal economic program?



Retention

- Compared to Ontario, Quebec, and British Columbia, prior to 1999, smaller provinces had difficulty in retaining immigrants.
- How did retention rates of Nominees compare to Federal Economic Immigrants, especially in small provinces.
- What fraction of immigrants in each category filed taxes in subsequent years in the province they were destined for originally?



Characteristics of Nominees

- Nominees as a group were different from Federal Economic Class immigrants:
 - Less likely to have a university degree.
 - Less likely to have knowledge of an official language (especially in the early years of the programs).

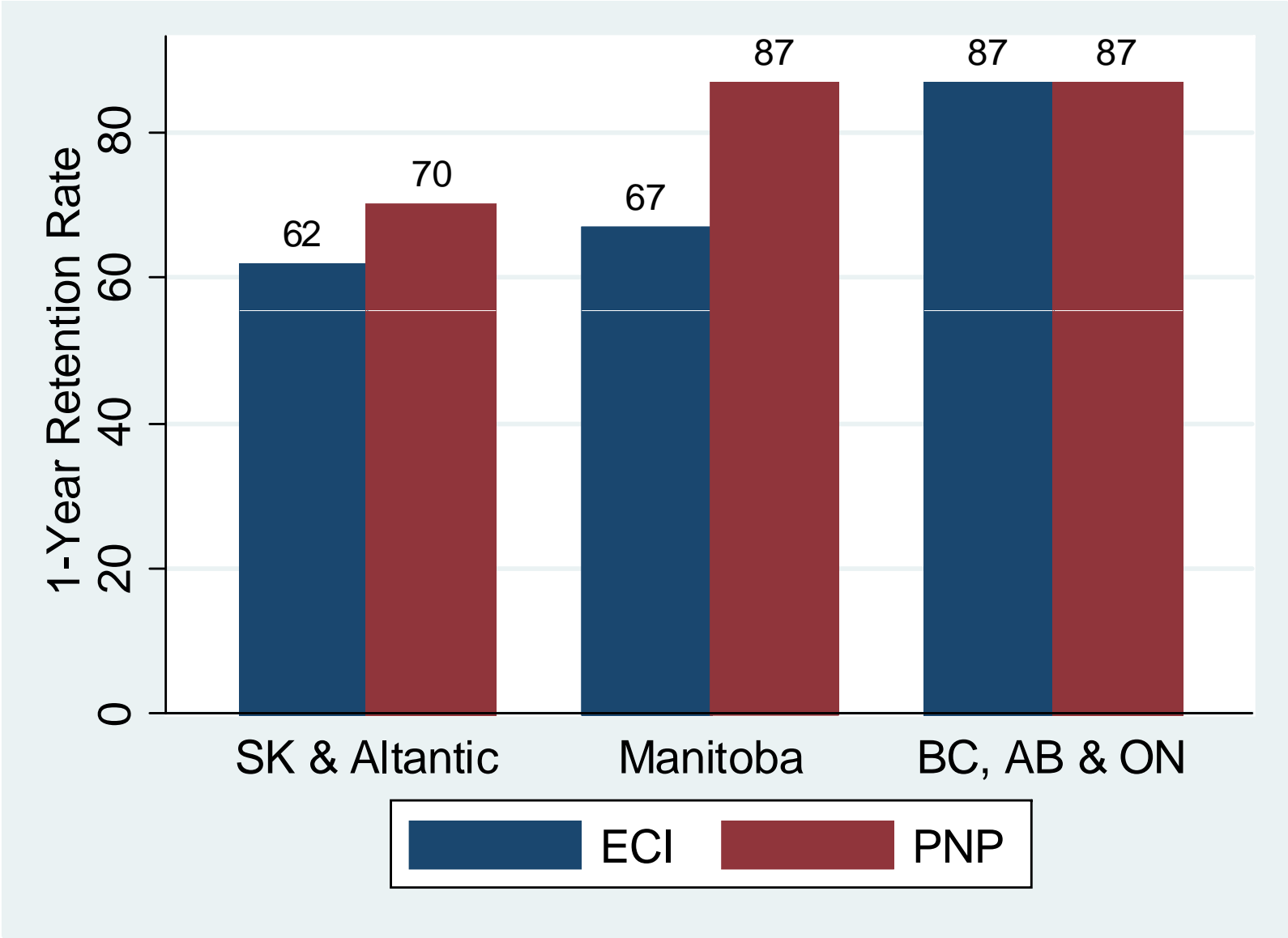


Earnings

- Indirect way of assessing whether Nominees were successfully addressing labour market needs.
- How have Nominees compared to observationally equivalent immigrants coming to the same province through the federal program?
- If Nominees have higher earnings this may suggest better matching.



Results: Retention

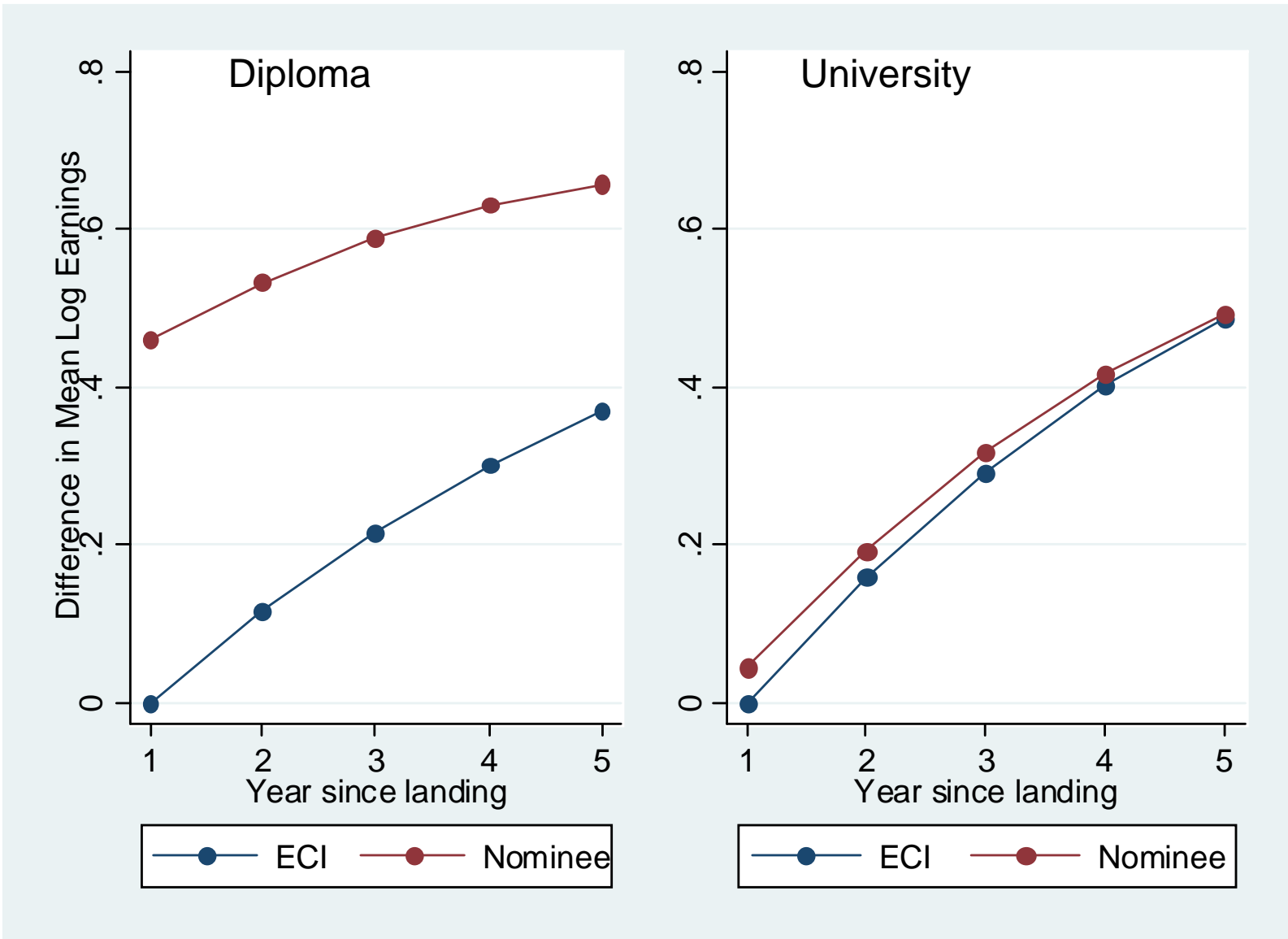


Earnings

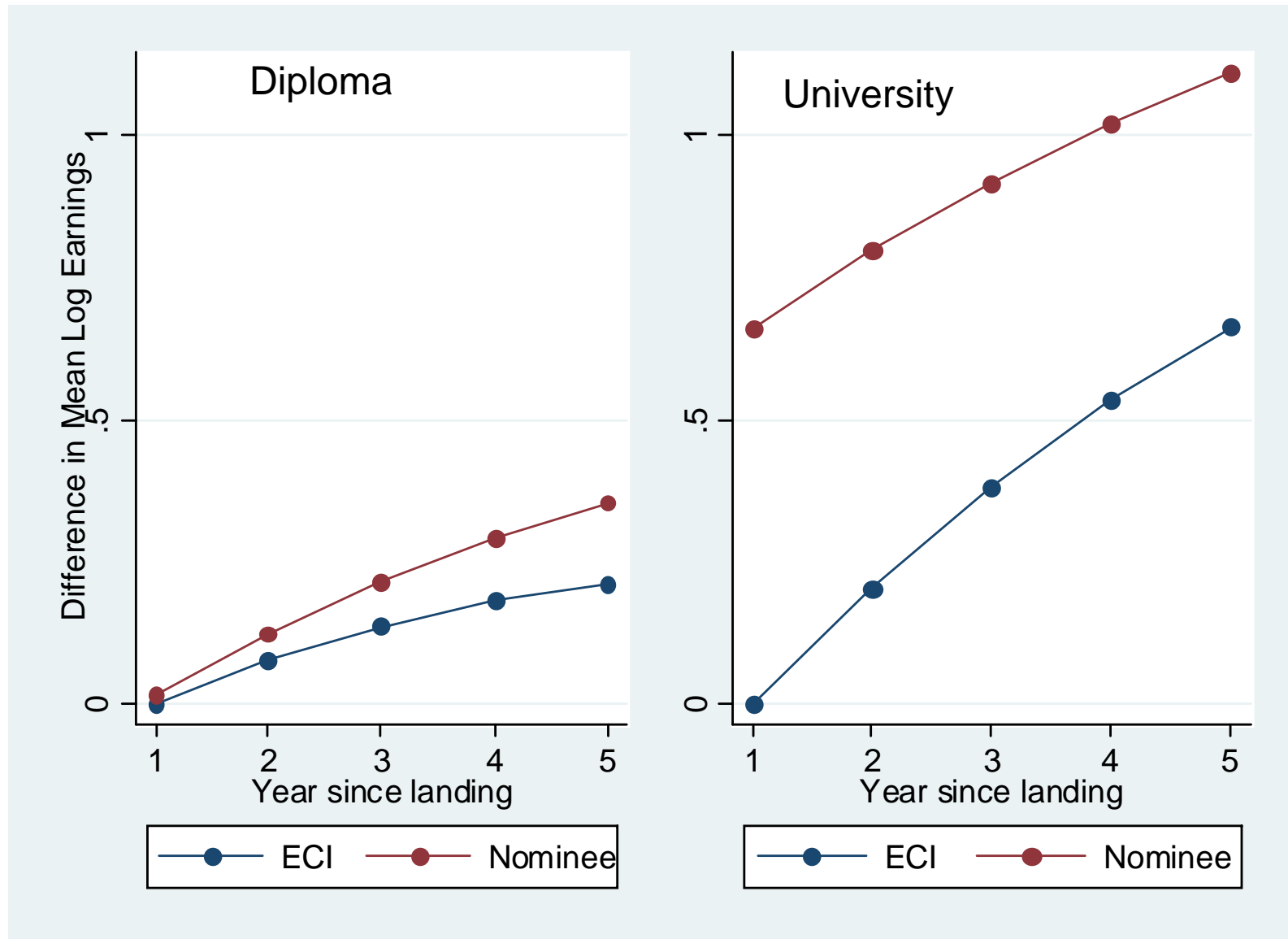
- How do earnings of observationally equivalent Nominees and Federal Economic Immigrants
 - compare in the first full tax year after arrival (entry earnings)?
 - compare in terms of subsequent growth?



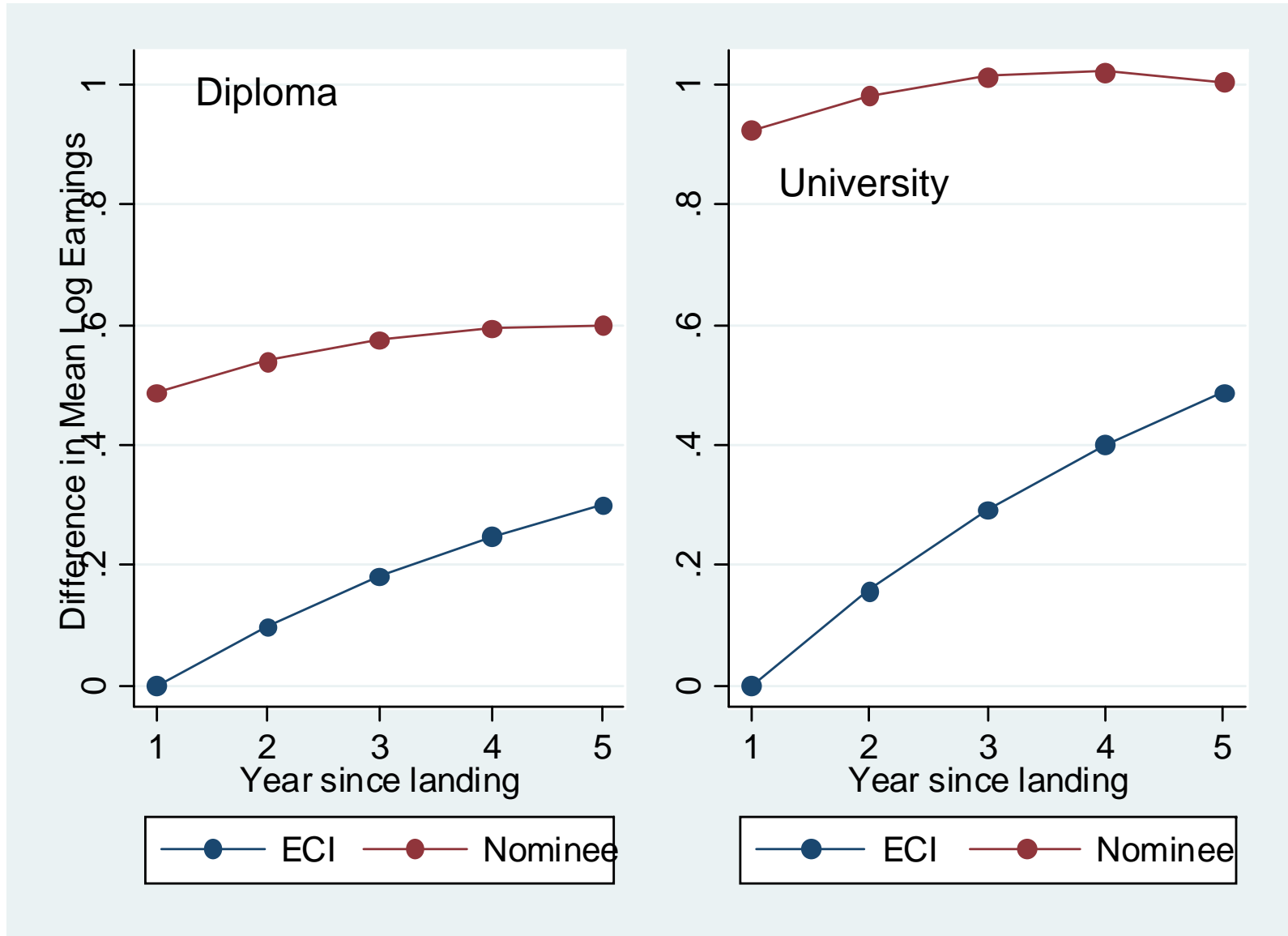
Manitoba: Earnings vs. Years Since Landing (Relative to ECIs one year after landing)



Small Provinces: Earnings vs. Years Since Landing (Relative to ECIs one year after landing)



Other Provinces: Earnings vs. Years Since Landing (Relative to ECIs one year after landing)



Conclusions

- After adjusting for differences in educational, earnings of Nominees were at least as good as federal economic class immigrants in all 3 regions.
- Largest difference in AB, BC & ON. PNP was primarily employer directed – successful applicants either already held jobs as TFWs or had a job offer.
- Retention rates of Nominees in MB were much higher than federal immigrants.



Why were Manitoba retention rates higher than other small provinces?

Possible explanations:

- Manitoba had a relatively large immigrant population, which was directly involved in recruiting and integrating Nominees.
- Manitoba assumed responsibility for settlement services; innovative programs developed in connection with existing communities.



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Limitations of Tax Data

- Difficult to determine family characteristics from the IMDB.
 - We only look at principal applicants
- Cannot track subsequent emigration from Canada – many immigrants leave within one year of obtaining permanent residence.
- Limited information on jobs – cannot compare actually occupation with intended occupation at time of landing.
- No information on schooling or other training that occurs after arriving.
- Tax data added with a lag – can only look at outcomes between 1999 and 2007.

Limitations of Study

- Difficult to talk about an overall program effect
 - Programs have been continuously changing.
Example: Prior to 2004, Manitoba based admission on “high demand occupation list.”
In 2004, moved to a human capital based model that emphasized labour market adaptability and employability.
 - New streams are continuously being created.
In 2010, there were over 60 different streams in the Nominee programs of the various provinces and territories.

