Evaluation of Express Entry: Early Impacts on Economic Outcomes and System Management

Executive Summary

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This report presents the findings of the evaluation of Immigration, Refugees and Citizenship Canada's (IRCC) Express Entry system. The evaluation was conducted in fulfillment of requirements under the 2016 Treasury Board *Policy on Results*, and considered issues of the system's effectiveness, with particular attention given to the early economic performance of immigrants screened through Express Entry. The evaluation covered the period from 2015 to 2018.

Overview of the Express Entry system

Launched in January 2015, Express Entry is Canada's evidence-based application management system for certain economic immigration categories: Federal Skilled Worker Program, Federal Skilled Trades Program, Canadian Experience Class and a portion of the Provincial Nominee Program.

Express Entry was designed with three main objectives in mind: 1) flexibility in selection and application management; 2) responsiveness to labour market and regional needs; and 3) speed in application processing. Express Entry uses the Comprehensive Ranking System, which is an evidence-based points system designed to identify candidates most likely to achieve high employment earnings and who are able to maximize their economic performance in the Canadian labour market. Therefore, the main focus of the evaluation was to assess the early economic outcomes of economic principal applicants screened in using Express Entry.

Summary of conclusions and recommendations

Overall, findings from the evaluation show that early economic results for Express Entry principal applicants are positive – they are demonstrating high levels of labour market participation and solid results in terms of their employment income, as well as the type of occupation in which they are employed.

Further, the evaluation found that Express Entry principal applicants generally outperform their non-Express Entry counterparts. In particular, these early results show that 95% of Express Entry principal applicants have become established economically and incidence of employment is high across the four immigration categories. Of those who were working:

- 83% reported doing so in their primary occupation;

- Express Entry principal applicants earned 20% more than non-Express Entry principal applicants; and

- 43% of Express Entry principal applicants were in occupations usually requiring university education (NOC A) for their first job as permanent resident compared to 25% for non-Express Entry principal applicants.

While early economic results were generally positive, it should be noted that the EE system was designed to screen high human capital candidates who have the potential to achieve economic success in the Canadian labour market over the longer term. Nevertheless, the early results are encouraging and suggest that candidates screened through Express Entry are becoming economically established with high employment rates and employment income.

Based on the evaluation findings and in support of the continued success of the Express Entry system, the following four recommendations are proposed:

Monitoring of the system

The evaluation found Express Entry to be an effective screening mechanism to screen candidates with higher potential for economic integration in Canada. While the CRS was designed to identify those with potential for economic integration, including over the longer term, the evaluation looked only at predictors of success in the first few years since implementation. Specifically, while the evaluation found certain elements of the CRS had a significant impact on short-term earnings (e.g., knowledge of the first official language), it also found that other elements of the CRS had a limited impact on short-term economic outcomes of EE PAs. Particularly, the skills transferability factors and spouse factors in the CRS were not found to have clear impact on short-term economic outcomes. These findings point at the need to continue monitoring the capacity of the CRS to identify EE PAs who will have positive economic outcomes in the longer-term.

> **Recommendation 1: IRCC should continue to monitor the impact of the CRS on earnings in the longer term, revalidating and streamlining it as needed, to focus on key predictors of economic success.**

Information gaps

The evaluation found that there were certain gaps in the information provided by candidates when applying for permanent residence. In particular, while level of education is considered a key human capital characteristic, it is not a mandatory field in the electronic application and, as a result, not all candidates invited to apply for permanent residence submit information on their educational credentials. The lack of this type of data limits the Department's ability to fully assess the impact of level of education on economic results. Collecting information on level of education for all economic immigrants, including spouses and dependents, will allow IRCC to monitor and more reliably measure the impact of education on the economic results of PAs screened in through EE.

> **Recommendation 2: IRCC should collect information on the level of education of all principal applicants, as well as information related to their spouses.**

Management of integrity

At the launch of Express Entry, tools were introduced to improve capacity to detect potential fraud and manage system risk. However, the Express Entry Validation and Verification Process (VVP), which was intended to be a central integrity mechanism, was discontinued due to capacity issues and lack of coordination. And with diffuse roles and responsibilities relating to the integrity of the Express Entry system, the departmental approach has relied on officer experience and minimal centralized oversight as opposed to addressing integrity with a systematic approach as originally intended. Given the potential for fraud as changes to both the Express Entry system and the CRS are made and as economic immigration grows, there is a need for a more purposeful approach to monitoring integrity and emerging risk areas.

> **Recommendation 3: IRCC should develop and implement a systematic approach to manage integrity in Express Entry.**

Electronic system inefficiencies

Express Entry's implementation as an electronic application system resulted in efficiencies in application processing, though the electronic nature of the system introduced some challenges associated with accessibility of client and application information. For example, clients are not able to review their supporting documents once they have uploaded them and before submitting to IRCC, rendering them unable to rectify any errors that may have been made, such as uploading an incorrect document. In addition, it was noted that the system generates a new set of client information each time a client updates their EE profile.

Such challenges have in turn led to complications related to litigation and ATIP management - the complex nature of the electronic application system has made it difficult to produce evidence when litigation occurs. Additionally, the electronic nature of the system makes it more difficult to produce a Certified Tribunal Record for the court. With respect to ATIP, issues were identified with the system's technical design for extracting profile information. In addition, IRCC has experienced an increased volumes of ATIP requests related to Express Entry applications, which typically involves a large amount of documentation. These issues highlight an opportunity to address certain inefficiencies in the electronic system for the benefit of clients and the Department.

> **Recommendation 4: IRCC should develop and implement methods to:**
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> – **Allow Express Entry clients to view their application and uploaded documents prior to, and after applying; and**
> – **Improve accessibility of GCMS information to support the production of complete records for operational, litigation and ATIP purposes.**