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# The Provincial Nominee Program: Its expansion in Canada



by Garnett Picot, Feng Hou and Eden Crossman

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# *The Provincial Nominee Program: Its expansion in Canada*

by Garnett Picot, Feng Hou and Eden Crossman

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## **Abstract**

The Provincial Nominee Program (PNP) was introduced in all provinces, excluding Quebec, and most territories in Canada between 1998 and 2009. Its primary goal was to increase the settlement of economic immigrants outside major Canadian cities and to address the workforce needs of employers, as perceived by the province or territory. Over the years, the number of programs within the PNP has continuously expanded, resulting in 68,000 provincial nominees landing in Canada in 2019. That year, the PNP was the largest selection program for economic immigrants, accounting for 35% of all new economic immigrants in Canada, up from 1% in 2000.

This article focuses on the expansion of the PNP in Canada and is part of a series that examines various aspects of the program. The findings show that the program has contributed to a substantial regional decentralization of economic immigrants. Additionally, the characteristics of provincial nominees have changed significantly since the program's inception, including rising shares with pre-immigration Canadian work and study experience, and improved knowledge of official languages. Provincial nominees now tend to be younger, have higher levels of education and are more likely to be principal applicants rather than spouses or dependants, compared with earlier provincial nominees. These changes would tend to improve economic outcomes. The source regions of nominees have shifted, with an increasing share originating from Southern Asia. Provincial nominees are more likely to intend to work in skilled and technical occupations and less likely to be professionals, compared with immigrants in the Federal Skilled Worker Program (FSWP). The shift from the FSWP to the PNP, along with other changes, has resulted in a significant shift in intended occupations among new economic immigrants. In 2019, there were almost as many skilled and technical new economic immigrants as professionals; this was a significant change from 2005, when professionals dominated.

**Keywords:** Provincial Nominee Program, immigrants, regional distribution

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## Introduction

In Canada, jurisdiction over immigration is a joint responsibility of the federal and provincial governments, as outlined in the *Constitution Act, 1867*. Such a division of responsibilities is quite rare in Western countries, as the national government almost always controls immigration. Although the provinces were legally able to participate, they were absent from immigrant selection until the 1970s. During that decade, Quebec expressed a desire to play a larger role in the immigration domain. Some Quebec policy makers were concerned about the province's slowing population growth and argued that the Quebec government was better suited to select newcomers who could easily integrate into Quebec's largely French-speaking society. In 1991, an accord was signed by the Quebec and federal governments to give Quebec the authority to select all economic immigrants for the province. This selection was based on a points system similar to that employed by the federal government, but with relatively more weight on French-language proficiency and Quebec connections (Seidle, 2013). This was a forerunner of the Provincial Nominee Program (PNP), although they took quite a different form.

During the late 20th century, immigrant inflows were largely concentrated in Ontario, Quebec and British Columbia—primarily in the largest cities of Toronto, Montréal and Vancouver. For example, in 1995, 88% of newcomers settled in the three provinces, with around three-quarters entering the three cities (Seidle, 2013). The federal government was concerned about this concentration of immigration, as were other provinces, notably those in the Prairie and Atlantic regions. Some provinces, particularly Manitoba, were also concerned that the kinds of immigrants required for their labour market—often lower-skilled immigrants—were not being provided through the Federal Skilled Worker Program (FSWP). They felt that they may be in a better position to select the type of economic immigrants required by their provincial labour market (Seidle, 2013). The PNP was created to better meet two primary objectives:<sup>1</sup> to distribute more immigrants to regions and provinces outside the three major cities, and to help meet the workforce needs of employers in those provinces, often short-term labour market needs (IRCC, nd).

The first bilateral framework agreement, the Canada-Manitoba Immigration Agreement, was signed in 1996 (IRCC, 2017; MPNP, nd) and led to the implementation of the Manitoba PNP in 1998. British Columbia and Saskatchewan also signed PNP agreements with Citizenship and Immigration Canada (the forerunner to Immigration, Refugees and Citizenship Canada [IRCC]) in 1998 (Seidle, 2013). Between 1998 and 2005, all provinces—excluding Quebec which had its own economic immigration system<sup>2</sup>—and Yukon signed PNP agreements with the federal government. The Northwest Territories signed an agreement in 2009. These agreements refer specifically to economic immigrants. Initially, the PNP programs were quite modest, with roughly 500 immigrants landing via the programs in 1999. By 2004, this inflow had grown to over 6,000, and continued from there.

Each province or territory is responsible for the design and management of its PNP. There are several different streams to which applicants can apply. While the streams vary significantly between provinces and territories, there are a few main types: workers without job offers, workers with job offers, entrepreneurial streams and international student streams. There are many variations of each of these main types of streams. The worker streams may be oriented toward higher-skilled workers (National Occupational Classification [NOC] O, A or B), lower-skilled workers (NOC C and D) or both.<sup>3</sup> They may focus on a particular type of workers, such as high-tech workers or health professionals. They may also

- 
1. An evaluation of the PNP (IRCC, 2017) noted that its primary objective is to enhance the economic benefits of immigration to the provinces and territories. Additionally, there are two other secondary objectives: to enhance federal and provincial or territorial collaboration, and to encourage the development of official language minority communities in the province or territory.
  2. Note that Nunavut does not have a PNP.
  3. The 2016 NOC system has established skill levels (O, A, B, C, D) for each occupation, based primarily on the education and training required to do the job.

be oriented toward immigrants with previous work experience in the province (i.e., temporary foreign workers), international workers with offshore experience or both. The entrepreneurial streams may focus on local industries (e.g., farm or high-tech entrepreneurs), international student entrepreneurs or entrepreneurs in general. International student streams may be open to international students graduating from universities or colleges in the same province, or anywhere in Canada. There are also eligibility requirements demanding various levels of official language ability, and, in some provinces, entrepreneurs must demonstrate a particular level of net worth and investment in a company. Overall, there are now approximately 60 to 80 admission streams across all provinces, depending on how they are counted.

The province or territory can choose to nominate and select a potential economic immigrant from the candidate pool in the federal government's Express Entry application management system, or it can nominate a potential candidate based on its own provincial selection system.<sup>4</sup> The vast majority of candidates nominated by the provinces are approved by IRCC for immigration, as they receive 600 points in the Express Entry system for the provincial nomination.<sup>5</sup> The number of nominations available to a province is determined by IRCC on an annual basis (IRCC, 2017). This number has grown continuously since the inception of the programs.

This article is the first in a series examining various aspects of the PNP. The series will discuss (1) the expansion of the PNP in Canada (this article); (2) differences between provinces; (3) the retention and interprovincial mobility of nominees in each province; (4) trends in earnings outcomes among nominees relative to other types of immigrants; and (5) the occupational outcomes of nominees, both nationally and provincially.

The PNP has changed considerably since much of the earlier research was conducted (e.g., Seidle, 2013; Pandey & Townsend, 2011 & 2013). The changes described in this article—notably the skill levels and source regions of nominees—can affect economic outcomes, retention rates and immigrant characteristics.

## The growth of the Provincial Nominee Program

The past 20 years have seen a dramatic change in the way economic immigrants are selected in Canada. The rise of the PNP has played a central role in this development. In 2000, the vast majority (79%) of economic immigrants—including principal applicants and their spouses and dependants—landing in Canada came through the FSWP, falling to 30% by 2019 (Chart 1, see also Table 1A). Data are available for 2020 and 2021,<sup>6</sup> but these were extraordinary years for immigrant selection because of the COVID-19 pandemic; 2019 likely better reflects long-term trends. In 2000, only 1% of economic immigrants entered through the PNP, since it did not yet exist in many provinces. By 2019, the PNP was the largest program, accounting for 35% of all economic immigrants to Canada. Economic programs in 2019 also

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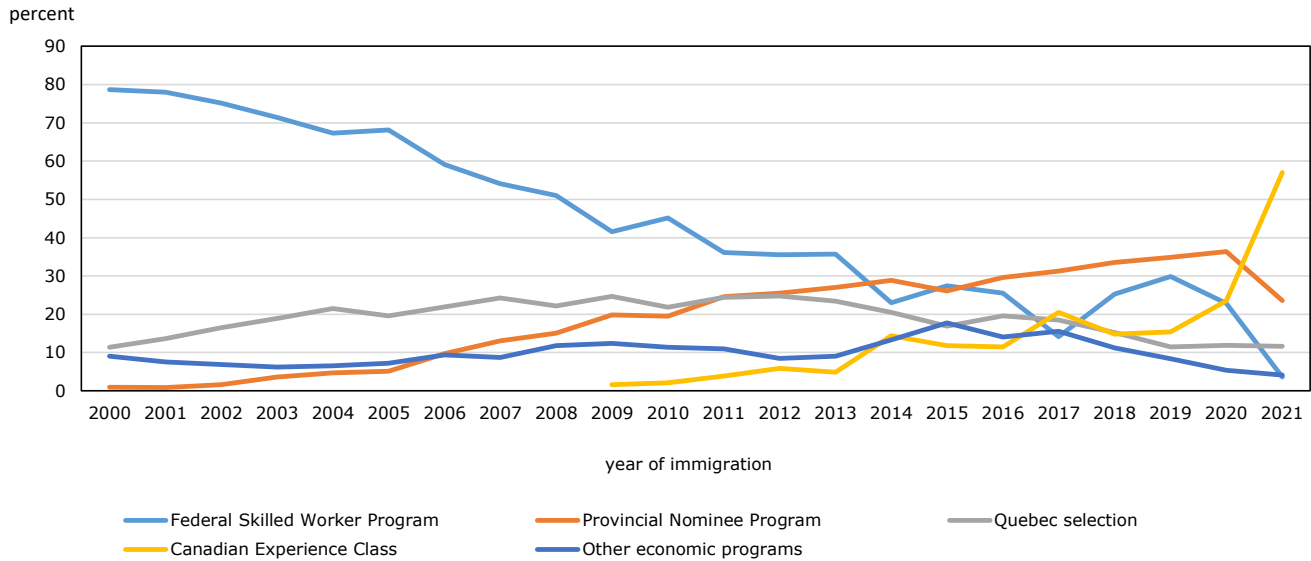
4. On January 1, 2015, IRCC introduced Express Entry, the federal government's new system for managing applications for permanent residency under the FSWP, the Federal Skilled Trades Program and the Canadian Experience Class. Provinces that operate a PNP can recruit candidates from the Express Entry system through their PNP to meet local labour market needs (IRCC, 2017).

5. An Invitation to Apply (ITA) is given to Express Entry candidates who have the highest Comprehensive Ranking System (CRS) scores at the time of an Express Entry round of invitations. Candidates who have a provincial or territorial nomination (or qualifying offer of arranged employment) are given 600 points in the CRS and are highly likely to receive an ITA.

6. The shares of economic immigrants landing in 2021 are 4% for the FSWP, 24% for the PNP, 12% for Quebec selection, 57% for the Canadian Experience Class (CEC) and 4% for other economic immigrants. In 2020, the shares were 23% for the FSWP, 36% for the PNP, 12% for Quebec selection, 24% for the CEC, and 5% for other economic immigrants.

included the Quebec selection process (11% of total economic immigrants), the Canadian Experience Class (CEC) (15%) and other smaller programs<sup>7</sup> (8%).

**Chart 1**  
**Share of new economic immigrants by admission program, Canada, 2000 to 2021**



Source: Statistics Canada, Longitudinal Immigration Database.

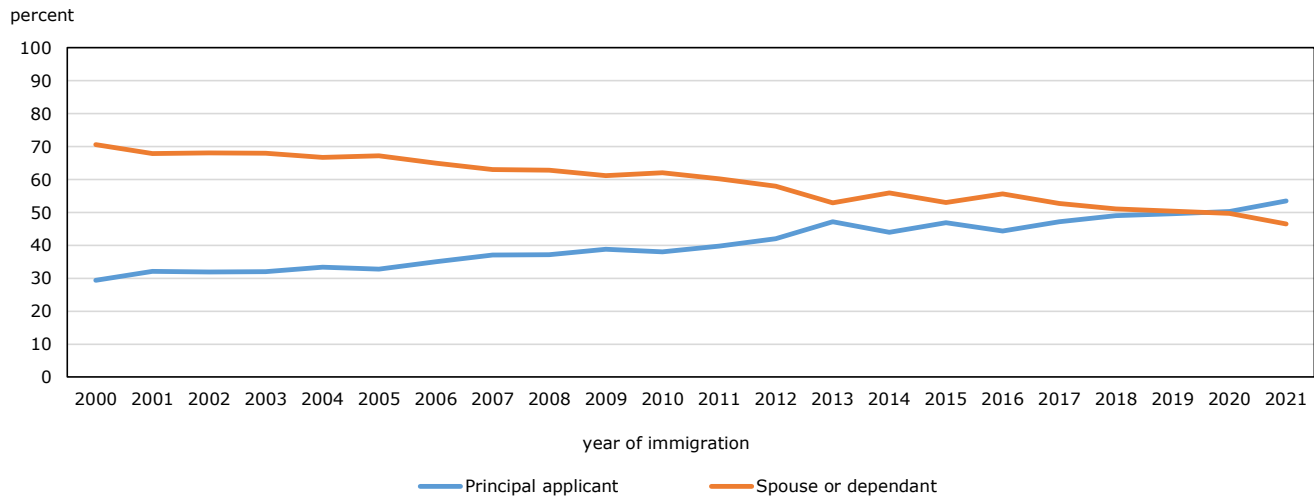
The growth in the share of economic immigrants landing via the PNP, and the decline in that landing via the FSWP, was continuous from 2000 to 2019 (Chart 1). The share of economic immigrants selected by Quebec peaked in 2012, and by 2019 it had fallen back to the level reached in 2000. The CEC share grew by 14 percentage points from its inception in 2009 to 2019,<sup>8</sup> an increase similar to that registered by the PNP during the same period (an increase of 15 percentage points). From 2019 to 2021, new economic immigrants were selected predominantly from temporary foreign workers and international students who were residing in Canada because of the international travel restrictions during the pandemic. This led to a large increase in the CEC share.

The shares reported above include both principal applicants, and their spouses and dependants. However, since 2000, there has been a continuous increase in the share of PNP immigrants who are principal applicants. There were more spouses and dependants than principal applicants in all years from 2000 and 2017 (Chart 2). In 2000, 29% of all new provincial nominees were principal applicants. By 2010, this share had increased to 38%, and by 2019, half of all provincial nominees were principal applicants. This reflects the ever-younger nature of new provincial nominees and the decline in the share of nominees with families. In 2000, 30% of new provincial nominee principal applicants were younger than 30 years; by 2019, this share had increased to 44%. Because principal applicants are selected specifically for their increased likelihood of participating in the labour force and establishing themselves economically, an increase in their share likely improved the collective economic outcomes of recent economic immigrants.

7. Including the Federal Skilled Trades Program, caregivers, the federal Start-up Business Class and the Self-Employed Persons Class, and the Atlantic Immigration Pilot Program.

8. The CEC was implemented in September 2008; immigrants were admitted under this class starting in 2009.

**Chart 2**  
**Share of provincial nominee principal applicants and spouses or dependants, Canada, 2000 to 2021**



Source: Statistics Canada, Longitudinal Immigration Database.

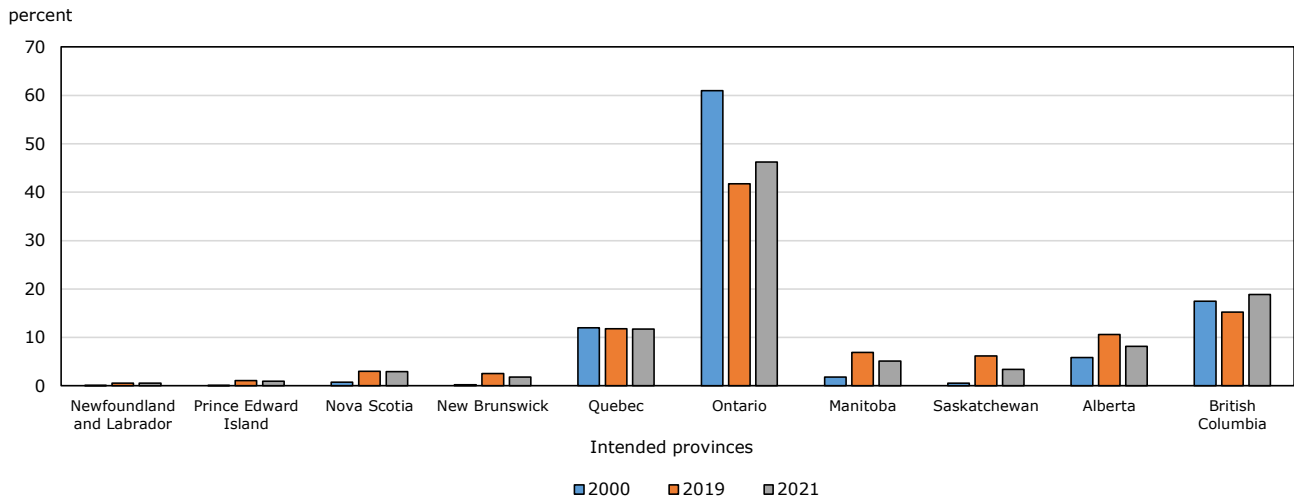
## The growth of the Provincial Nominee Program and the regional decentralization of new economic immigrants

From the outset, one of the main goals of the PNP has been to shift the destinations of economic immigrants away from the three largest Canadian cities toward other provinces. A decentralization of economic immigrants did occur simultaneously with growth in the PNP. The provincial distribution of new economic immigrants shifted significantly from 2000, when there were virtually no provincial nominees, to 2019 (Chart 3).<sup>9</sup> The share intending to settle in Ontario (mainly Toronto) declined from 61% to 42%; the share headed to British Columbia also saw a small decline, from 17% to 15%. The Prairie provinces gained substantially: the share going to both Manitoba and Saskatchewan rose from virtually zero to around 7%. Alberta experienced an increased share of economic immigrants, as did the Atlantic provinces, with their collective share rising from 1% to 7%. Newfoundland and Labrador received very few economic immigrants during the entire period. From 2019 to 2021, the share of new economic immigrants intending to settle in Ontario and British Columbia increased. This was likely related to the large increase in the share entering via the CEC.

Earlier research suggests that while the PNP played a major role in the decentralization of economic immigrants from 2000 to 2010, it was not the only factor. Bonikowska et al. (2015) found that different factors accounted for changes in the share of immigrants settling in different destinations. The rise of the PNP played the primary role in the increase in the number of immigrants going to Saskatchewan and Manitoba, and a significant role in many other provinces. However, the study found that changing source regions and changing economic conditions also played a role in the regional redistribution of immigrants during the early 2000s.

9. In this analysis, intended provincial destination was used. It was based on the self-reported destination at landing on the immigration application (Statistics Canada, 2020).

**Chart 3**  
**Percent distribution of new economic immigrants by intended province, 2000, 2019 and 2021**



Source: Statistics Canada, Longitudinal Immigration Database.

## The changing characteristics of provincial nominees

As the PNP evolved, the characteristics of those selected changed substantially. Perhaps the most consequential change was the increasing tendency to select economic immigrants who had Canadian earnings prior to landing (here referred to as temporary foreign workers). The proportion of provincial nominees aged 20 to 54 at landing who were previously temporary foreign workers rose continuously, from 6% in 2002 to 61% in 2019, and further to 72% in 2021 (Table 1). The FSWP did not register a similar increase, as the shares remained relatively low during the entire period—between 6% and 25%, depending on the year. A high proportion of immigrants landing through the CEC had pre-immigration Canadian earnings, 85% to 92%.<sup>10</sup>

Changes in this characteristic are notable, as earlier research showed that immigrants who were previously temporary foreign workers had better labour market outcomes, both in the short and longer run, compared with immigrants without pre-landing Canadian work experience. This was particularly true for immigrants who held pre-landing jobs with medium or high levels of earnings, but not to the same degree for those with low-wage pre-landing jobs (Hou & Picot, 2016). Earlier research found that, at least until 2015, provincial nominees had higher earnings during their first two years in Canada than federal skilled workers (FSWs).<sup>11</sup> The research found that this result was mostly accounted for by differences in the share who were previously temporary foreign workers (Hou et al., 2020a). In addition, the rising share of immigrants who had pre-landing Canadian work experience also accounted for most of the increase in immigrant entry earnings in the 2000s and early 2010s (Hou et al., 2020b). While there are significant benefits to selecting immigrants who were previously temporary foreign workers, earlier research by Crossman et al. (2020) described several potential issues to consider. Among these is a risk that temporary foreign workers may be subject to poor working conditions. A large pool of temporary foreign workers may also displace domestic workers and put downward pressure on their wages. Moreover, relying on temporary foreign workers could reduce incentives for education and training of domestic

10. The CEC was created to provide a pathway to permanent residency for skilled workers and international students who have skilled Canadian work experience.

11. FSWs' earnings surpassed those of provincial nominees after five years in Canada.



workers. Finally, relying on low-wage temporary foreign workers or immigrant labour may prioritize short-term labour demand over longer-term competitiveness, reducing the need by employers to implement technological and innovative change that improves productivity.

There was also a large increase in the share of PNP immigrants with pre-immigration Canadian study experience since the early 2010s, while little change in this share was observed among FSWP immigrants (Table 1).<sup>12</sup> In 2019, 38% of new PNP immigrants had pre-immigration Canadian study experience, up from 7% in 2010. This compares with shares of 9% in 2010 and 7% in 2019 among FSWP immigrants. The share with pre-immigration Canadian study experience among CEC immigrants fluctuated between 30% and 58% in the 2010s. From 2019 to 2021, the share with pre-immigration Canadian study experience increased considerably for all selection programs because of the unique immigration selection process during the pandemic.

Table 1

Shares of economic immigrants with pre-landing Canadian earnings and pre-landing Canadian study experience, aged 20 to 54 at landing, Canada

Year of immigration	With pre-landing Canadian earnings					With pre-landing Canadian study experience				
	Federal Skilled Worker Program	Provincial Nominee Program	Quebec selection	Canadian Experience Class	Other economic programs	Federal Skilled Worker Program	Provincial Nominee Program	Quebec selection	Canadian Experience Class	Other economic programs
	percent									
2000	6.4	6.0	8.9	...	25.1	4.3	3.5	8.1	...	4.6
2001	6.0	7.8	8.8	...	27.1	3.8	3.6	10.0	...	4.1
2002	6.1	13.4	9.8	...	26.9	3.9	4.6	10.0	...	4.7
2003	6.0	13.8	10.1	...	44.2	3.9	5.3	10.5	...	5.6
2004	8.7	21.5	8.8	...	44.4	5.3	7.5	10.4	...	5.4
2005	7.4	21.8	8.0	...	41.8	5.3	7.1	10.0	...	5.0
2006	12.8	27.6	11.8	...	42.5	9.1	10.0	14.3	...	4.5
2007	15.6	28.6	12.7	...	45.8	10.6	8.9	14.9	...	4.3
2008	18.1	35.8	11.2	...	51.7	12.7	11.8	11.0	...	3.4
2009	18.0	40.8	11.3	89.2	50.2	12.0	11.3	10.1	67.7	2.6
2010	13.9	38.6	10.7	87.7	53.6	8.7	7.4	9.6	54.7	2.7
2011	10.6	37.1	10.2	87.2	45.4	6.0	7.9	8.3	56.2	2.5
2012	12.5	43.9	16.2	86.9	42.0	6.8	13.6	11.1	51.1	2.7
2013	12.1	54.3	22.2	86.0	51.5	5.8	23.1	16.1	47.8	3.7
2014	18.5	48.9	18.5	85.7	69.0	9.1	21.0	13.0	40.2	2.3
2015	11.1	58.4	29.1	84.2	60.8	8.5	26.2	18.0	30.0	1.3
2016	25.5	50.7	27.9	84.0	54.7	14.4	22.8	18.8	34.0	1.9
2017	18.4	52.3	33.0	87.4	58.4	13.8	29.6	22.2	53.6	2.4
2018	9.1	55.8	37.1	87.0	56.8	7.7	34.6	26.6	57.3	4.4
2019	7.3	61.1	32.3	89.5	55.3	5.6	38.0	22.0	58.0	10.8
2020	11.7	66.5	51.0	91.5	55.9	8.5	40.3	30.4	59.0	12.8
2021	15.4	72.1	84.2	88.9	73.4	11.6	44.3	47.1	65.8	34.9

... not applicable

Source: Statistics Canada, Longitudinal Immigration Database.

Another important characteristic, age at immigration, has declined among provincial nominees in the recent past. The share aged 20 to 29 at immigration increased from 24% in 2005 to 38% in 2019 (Table 2). Younger immigrants tend to have better economic outcomes than their older counterparts, particularly in the long run, with all else being equal (Bonikowska et al., 2015; Picot et al., 2022). As the share of nominees in their 20s rose, the share who were principal applicants without spouses and dependants also increased.<sup>13</sup> Provincial nominees tended to be both younger and older than FSWs, with fewer in their 30s. Relative to FSWs and CEC immigrants, provincial nominees landing in 2019 had a much higher share aged 40 to 54 at landing (Table 2).

12. An immigrant could have both pre-immigration Canadian earnings and Canadian study experience.

13. As noted earlier, one-third were principal applicants in 2005, rising to half in 2019.

**Table 2**  
**Sociodemographic characteristics of economic immigrants aged 20 to 54 at landing, by admission program, 2005, 2019 and 2021**

	2005			2019				2021			
	Federal Skilled Worker Program	Provincial Nominee Program	Quebec selection	Federal Skilled Worker Program	Provincial Nominee Program	Quebec selection	Canadian Experience Class	Federal Skilled Worker Program	Provincial Nominee Program	Quebec selection	Canadian Experience Class
<b>Sex</b>	percent										
Men	52.1	51.0	53.7	52.5	54.0	51.8	53.6	52.9	55.3	53.6	54.4
Women	47.9	49.0	46.3	47.5	46.0	48.2	46.5	47.1	44.8	46.4	45.6
<b>Age at landing</b>											
20 to 29	20.0	23.9	31.1	33.1	38.3	21.3	56.6	27.3	40.3	35.0	61.6
30 to 39	51.0	38.1	48.0	63.8	40.9	50.7	37.9	68.0	38.0	47.8	31.6
40 to 54	29.1	38.0	20.9	3.0	20.8	28.1	5.5	4.7	21.7	17.2	6.9
<b>Education</b>											
Secondary school or less	7.5	21.8	15.0	N/R	N/R	N/R	N/R	N/R	N/R	N/R	N/R
Some postsecondary	11.3	30.1	21.5	N/R	N/R	N/R	N/R	N/R	N/R	N/R	N/R
Bachelor's degree	51.8	37.8	40.8	N/R	N/R	N/R	N/R	N/R	N/R	N/R	N/R
Graduate degree	29.2	10.4	22.6	N/R	N/R	N/R	N/R	N/R	N/R	N/R	N/R
Not stated	0.2	0.0	0.1	N/R	N/R	N/R	N/R	N/R	N/R	N/R	N/R
<b>Skill level of intended occupation</b>											
Managerial	9.6	15.3	15.9	17.1	12.1	14.8	10.6	14.4	10.2	6.0	9.7
Professionals	69.1	18.1	42.1	67.0	16.8	43.3	40.4	67.9	16.8	19.8	26.4
Skilled and technical	20.6	32.6	23.0	15.9	47.2	16.8	49.0	15.9	49.1	18.5	63.8
Intermediate and clerical	0.5	8.6	8.5	0.0	12.9	2.8	0.1	0.0	14.0	5.3	0.1
Elemental and labourers	0.0	0.5	0.1	0.0	4.1	0.1	0.0	1.7	4.7	1.3	0.0
New workers	0.1	24.5	9.9	0.0	6.4	22.1	0.0	0.1	4.7	48.7	0.1
Students, non-workers, retired	0.0	0.4	0.5	0.0	0.5	0.3	0.0	0.1	0.5	0.5	0.0
<b>Official language</b>											
Do not speak English or French	24.8	21.3	16.0	0.4	2.1	4.8	0.3	0.8	1.7	1.3	0.3
Other mother tongue, speak English or French											
French	67.0	64.0	66.1	88.1	91.1	69.1	79.7	85.1	91.0	51.5	89.7
Mother tongue English or French	8.2	14.7	18.0	11.6	6.8	26.1	20.0	14.1	7.3	47.2	10.0
<b>Source region</b>											
United States	1.3	2.5	0.4	0.5	0.7	0.5	3.3	1.0	0.9	0.8	1.3
Central America	0.6	1.5	1.8	0.3	0.9	0.6	1.6	0.4	1.2	0.8	1.3
Caribbean	1.3	0.3	1.8	1.2	1.3	0.7	1.4	1.2	1.3	0.9	1.2
South America	1.9	3.1	8.6	1.8	3.8	3.1	6.1	1.6	5.7	7.6	5.3
Western Europe	1.1	13.6	14.2	1.4	1.3	14.4	3.9	1.4	1.2	39.4	1.7
Northern Europe	3.8	8.4	0.8	1.4	2.2	0.4	7.4	1.2	2.4	0.5	4.0
Southern Europe	0.9	1.1	0.6	0.5	2.6	0.8	1.9	0.4	2.2	1.3	1.1
Eastern Europe	6.8	6.4	17.7	1.6	3.3	1.1	3.9	1.2	2.8	0.9	2.1
Africa	4.8	5.3	22.7	15.2	8.7	36.8	6.7	21.9	8.9	29.2	3.5
Southern Asia	31.0	8.9	1.8	67.4	36.4	13.5	41.6	60.0	41.8	2.5	59.1
Southeast Asia	8.3	19.0	0.6	1.5	12.1	3.8	2.4	1.2	9.8	0.9	3.4
Eastern Asia	28.6	19.7	20.6	2.7	22.5	16.1	14.4	3.1	17.2	9.9	12.1
Western Asia	9.0	8.6	8.1	3.9	3.6	7.9	3.4	5.2	4.0	5.2	2.8
Other regions	0.8	1.6	0.2	0.4	0.9	0.3	2.2	0.3	0.8	0.2	1.0

N/R = not reported because of data completeness issues.

Source: Statistics Canada, Longitudinal Immigration Database.

The educational attainment of provincial nominees at immigration has also increased, although it is difficult to examine the trend after 2015 because of reporting issues.<sup>14</sup> The trend reported here is based on data from 2005 to 2015 (only 2005 data are presented in Table 2). The proportion with a bachelor's degree or higher increased from 48% in 2005 to 68% in 2015. The share with a secondary school education or less declined from 22% to 15%. In 2015, FSWs tended to be mostly highly educated—87% had a bachelor's degree or higher, compared with 68% of provincial nominees.

Intended occupation partly reflects the differences in educational attainment among economic immigration programs. While data on actual occupation are not available in the Longitudinal Immigration Database, intended occupation is known for principal applicants in the economic class.<sup>15</sup> In 2019, FSWs aged 20 to 54 at immigration were much more likely (67%) than provincial nominees (17%) or CEC principal applicants (40%) to be oriented toward professional occupations (Table 2).<sup>16</sup> Conversely, principal applicants in the PNP and CEC were more likely than those in the FSWP to be oriented toward skilled and technical occupations. This tendency for FSWs to be more oriented toward professional occupations and provincial nominees toward skilled and technical occupations, or even lower-skilled occupations (intermediate and clerical, and elemental and labourers), has existed since the inception of the PNP.<sup>17</sup> The expansion of the PNP and the decline in the FSWP have resulted in a significant increase in the share of skilled and technical economic immigrants. The proportion of all economic principal applicants aged 20 to 54 with an intended skilled and technical occupation rose from 20% in 2005 to 34% in 2019. The proportion with an intended professional occupation declined from 55% in 2005 to 38% in 2019.

Official language ability among provincial nominees has undergone some change over the recent past (Table 2). One-fifth of provincial nominees spoke neither English nor French at landing in 2005. However, most PNP programs currently require nominees to speak English or French at some specified level, depending on the skill level of the job the nominee is expected to hold. The share of nominees not speaking English or French at landing has fallen to virtually zero (2% in 2019). The proportion with a mother tongue other than English or French, but who speak English or French, increased from 64% to 91% from 2005 to 2019. The share of those with English or French as their mother tongue declined from 15% to 7%. Virtually all economic immigrants (from 95% to 100%) landing via the major programs, particularly the FSWP and PNP, spoke English or French at immigration or had English or French as a mother tongue in 2019. This is a considerable improvement since 2005 for all the major economic immigrant programs, when 16% to 27% indicated that they did not speak English or French at immigration.

Finally, the countries from which provincial nominees originate have also undergone change. Source country is a rough proxy for several often-unmeasured characteristics. For example, country of education is one of the best predictors of labour market outcomes for more highly educated economic immigrants.

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14. There are data completeness issues with the education variable because of changes in the reporting pattern in the Immigrant Landing File for immigrants who have landed since 2011. The Longitudinal Immigration Database imputed this variable for some observations for arrivals from 2011 to 2018 (Statistics Canada, 2020). The imputation worked well up to 2015, but a large proportion of missing values remained for adult immigrants who had landed since 2016. For example, among those who landed in 2018, 16% of economic immigrants aged 20 to 64 had a missing value rather than an imputed value for the education variable.

15. To list a specific intended occupation, applicants must prove that they have obtained the necessary education qualifications, as well as at least one year of experience in the field (Statistics Canada, 2020).

16. The NOC skill levels include NOC 0 (managerial occupations), NOC A (professional occupations requiring a bachelor's degree or higher) and NOC B (skilled and technical occupations requiring two to three years of postsecondary education at a college or technology school, two to five years of apprenticeship training, or three or four years of secondary school plus at least two years of on-the-job training).

17. For example, in 2010, 57% of FSWP principal applicants had an intended professional occupation, compared with 19% of PNP principal applicants. For skilled and technical occupations, the FSWP was at 19% and the PNP at 36%; for lower-skilled occupations (intermediate and clerical, and elemental and labourers), the FSWP was at 0.5% and the PNP at 27%.

Degrees received in non-Western countries are often discounted to some extent in the labour market, compared with those from Western countries. This can occur for a host of reasons, including education quality, official language ability, knowledge of Western labour markets, possible discrimination and credential recognition issues, among others (Picot & Hou, 2019).

Economic immigrants have traditionally come to Canada from a wide range of source countries, with no single source country dominating, but this is changing. In 2019, 70% of new provincial nominees originated from three regions of Asia: Southern Asia (India, Pakistan, etc., accounted for 36%), Eastern Asia (China, etc., accounted for 22%) and Southeast Asia (the Philippines, Vietnam, etc., accounted for 12%). Southern Asians became more dominant, accounting for 9% of new provincial nominees in 2005 and 36% in 2019. There was a decline in the share originating from Southeast Asia, falling from 19% in 2005 to 12% in 2019.

The share of economic immigrants originating from Southern Asia was more dominant in the other major economic immigrant programs. Two-thirds of immigrants in the FSWP were from Southern Asia in 2019, along with 42% of those in the CEC (Table 2). Among all new adult economic immigrants, the share for Southern Asia increased from 22% in 2005 to 43% in 2019 (48% in 2021). This is the highest concentration of economic immigrants from a particular source region in the past three decades (Hou & Picot, 2016).

## Conclusion

The PNP was introduced in all Canadian provinces and territories between 1998 and 2009 (excluding Quebec, which has its own economic immigration system, and Nunavut, which does not have a PNP). It was designed primarily to increase the settlement of economic immigrants outside the three major Canadian cities and to help meet the workforce needs of employers, as perceived by the provinces. The number and types of programs within the PNP expanded rapidly and continuously from its inception to 2019, when 68,000 nominees entered Canada. In that year, the PNP was the largest selection program for economic immigrants, accounting for 35% of all new economic immigrants, up from 1% in 2000. The share of economic immigrants landing via the FSWP fell from 79% in 2000 to 30% in 2019. From 2019 to 2021, the share of economic immigrants entering via both the FSWP and the PNP declined, while the CEC's share expanded. During the pandemic, new immigrants were primarily selected from among temporary foreign workers and international students in Canada (driving up the CEC share). Because 2020 and 2021 were strongly affected by the pandemic, this study focuses on trends up to 2019.

Since the inception of the PNP, a substantial regional decentralization of new economic immigrants has been achieved. The share of economic immigrants intending to settle in Ontario declined from 61% to 42% from 2000 to 2019. The share intending to settle in the other Western provinces (excluding British Columbia) and the Atlantic provinces increased. Earlier research indicated that the implementation of the PNP played a major role in this decentralization, but other factors, notably changing source countries and economic conditions, also contributed.

The characteristics of new provincial nominees have changed significantly since the program's inception, largely in a manner that would tend to improve economic outcomes. In particular, the share of provincial nominees who had pre-landing Canadian earnings increased continuously from 6% in 2000 to 61% in 2019 (and further to 72% in 2021). By contrast, 7% of FSWs had such Canadian experience in 2019 (15% in 2021), along with 90% of CEC immigrants. Recent immigrants who have medium- or high-paying pre-landing Canadian jobs tend to have better economic outcomes than those without such experience. There was also a large increase in the share of PNP immigrants with pre-immigration Canadian study experience since the early 2010s, while little change in this share was observed among FSWP immigrants. More recent provincial nominees landed with higher educational attainment, with a higher share speaking either English or French, at younger ages and with a higher share who were principal applicants.

The growth in the PNP, combined with a comparable decline in the FSWP, significantly affected the occupational distribution of economic immigrants. Working age FSWs and provincial nominees tended to have different intended occupational skill levels. Provincial nominees were more likely to be oriented toward skilled and technical occupations, and FSWs toward professional occupations. The rise in the PNP and the simultaneous decline in the FSWP led to an increase in the share of new principal applicants intending to work in skilled and technical occupations relative to those in professional occupations.

There has also been an increase in the source country concentration of provincial nominees and other economic immigrants, notably with rising shares from Southern Asia. In 2019, 36% of provincial nominees came from Southern Asia, up from 9% in 2005. Among FSWs, two-thirds came from Southern Asia in 2019, along with 42% of the CEC. Overall, 43% of all adult economic immigrants came from Southern Asia in 2019 (48% in 2021).

Looking forward, continued growth in the PNP has the potential to continue fuelling the trend of increased regional decentralization of immigration. More regionally focused immigration is intended to better respond to the demographic and labour market challenges experienced in different regions. The objective to geographically expand immigrant settlement is a shared policy objective by all levels of government,

as evidenced by the expansion of the PNP, as well as other recent regionally focused program decisions, including those to make the Atlantic Immigration Pilot Program<sup>18</sup> permanent, to establish the Rural and Northern Immigration Pilot,<sup>19</sup> and to develop the Municipal Nominee Program.<sup>20</sup> As the data become available, there will be an opportunity to examine how these programs collectively impact regional decentralization of immigration and local labour markets.

As this article demonstrates, the numbers, settlement patterns and characteristics of provincial nominees can change over time and affect their labour and demographic roles. Close monitoring of the characteristics and outcomes of provincial nominees is essential to inform policy. To contribute further, other articles in this series examine related topics, including provincial differences in growth patterns, provincial retention rates, earnings and the occupational outcomes of provincial nominees.

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18. The Atlantic Immigration Program (AIP) came into effect on March 6, 2022. The AIP is an economic program targeted to foreign nationals with job offers in the Atlantic region who have received an endorsement by an Atlantic province.

19. The Rural and Northern Immigration Pilot came into effect on November 1, 2019. The goal of this pilot is to attract and retain skilled immigrants in rural and northern communities.

20. In 2019, the Minister of Immigration, Refugees and Citizenship was mandated to introduce a Municipal Nominee Program that will allow local communities, chambers of commerce and local labour councils to directly sponsor permanent immigrants.

## APPENDIX

**Appendix table 1**

**Number of new economic immigrants by admission program, Canada, 2000 to 2021**

	Federal Skilled Worker Program	Provincial Nominee Program	Quebec selection	Canadian Experience Class	Other economic programs	Total
2000	106,926	1,251	15,451	...	12,330	135,958
2001	121,134	1,273	21,132	...	11,767	155,306
2002	103,717	2,126	22,723	...	9,486	138,052
2003	87,255	4,409	23,091	...	7,595	122,350
2004	90,305	6,233	28,825	...	8,730	134,093
2005	106,365	8,036	30,542	...	11,210	156,153
2006	81,666	13,321	30,256	...	12,902	138,145
2007	70,898	17,078	31,704	...	11,337	131,017
2008	75,925	22,393	32,993	...	17,495	148,806
2009	63,671	30,340	37,820	2,544	18,941	153,316
2010	84,302	36,413	40,782	3,918	21,249	186,664
2011	56,274	38,388	38,015	6,023	17,149	155,849
2012	57,078	40,883	39,714	9,356	13,612	160,643
2013	52,838	39,947	34,692	7,212	13,478	148,167
2014	37,891	47,552	33,806	23,739	21,900	164,888
2015	46,624	44,472	28,769	20,018	30,193	170,076
2016	39,600	46,092	30,441	17,777	21,784	155,694
2017	22,464	49,637	29,394	32,643	24,793	158,931
2018	46,973	62,295	28,273	27,539	20,843	185,923
2019	58,613	68,470	22,432	30,218	16,450	196,183
2020	24,276	38,653	12,554	24,970	5,750	106,203
2021	8,317	53,869	26,657	130,234	9,358	228,435

... not applicable

**Source:** Statistics Canada, Longitudinal Immigration Database.

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