



Citizenship and  
Immigration Canada

Citoyenneté et  
Immigration Canada

# Evaluation of the Federal Skilled Worker Program

Evaluation Division

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Canada

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## EXECUTIVE SUMMARY

### Purpose of the evaluation

The evaluation of the Federal Skilled Worker Program (FSWP), which addressed a series of evaluation issues and questions related to program relevance, design, implementation and impact, is focused on the period after introduction of the *Immigration and Refugee Protection Act* (IRPA) in 2002 and related regulations and before the implementation of the Ministerial Instructions (in 2008). More specifically, the objectives of this evaluation are to assess:

- Program design and implementation, including timeliness, consistency and transparency of selection; and
- The impact of the program to date at the immediate and intermediate outcome levels, including an assessment of the economic establishment of skilled workers.

The evaluation was designed to address the complexity of the FSWP by using multiple approaches and lines of evidence. In the course of the evaluation, data was collected and analyzed from a variety of primary (e.g. interviews, surveys and focus groups) and secondary sources (document and literature review, as well as federal government databases – Computer Assisted Immigration Processing System (CAIPS), Field Operations Support System (FOSS) and Longitudinal Immigration Database (IMDB)).

### Federal Skilled Workers Program

The Federal Skilled Worker Program (FSWP) was developed as a part of Canada's immigration strategy, wherein permanent residents are selected based on their ability to become economically established in Canada. With the introduction of the *Immigration and Refugee Protection Act* (IRPA) on June 28, 2002, the selection system for skilled workers was changed to respond to the dynamic labour market associated with today's knowledge-based, global economy. Based on an objective and transparent points system, the new Federal Skilled Worker Program is intended to be more effective at selecting immigrants who will succeed economically. The program revisions reflected the need to<sup>1</sup>:

- improve the economic success rate of skilled worker immigrants;
- maintain the quantity of skilled worker immigrants; and
- improve the transparency of the selection process.

Applicants who wish to come to Canada under the Federal Skilled Workers Program must meet the Program's minimum requirements<sup>2</sup>. Applicants who meet minimum requirements are then reviewed against the following six selection factors: i) work experience; ii) education; iii) language; iv) age; v) arranged employment; and vi) adaptability elements that involve factors such as a positive arranged employment opinion, spousal (partner's) education, family relations in

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<sup>1</sup> Canada Gazette "*Immigration and Refugee Protection Regulations*", Vol. 135, No. 50 — December 15, 2001

<sup>2</sup> The minimum requirements under the IRPA are that the applicant have at least one year of continuous full-time paid employment or the equivalent in continuous part-time employment in the last 10 years in skill level 0, A or B in the *National Occupational Classification* (NOC). An applicant must also have performed the actions described in the lead statement for the occupation (or occupations) as set out in the description in the NOC and have performed at least a substantial number of the main duties, including all of the essential duties, as set out in the occupational description of the NOC [R75(2)].

Canada, post-secondary study and work experience in Canada. To be eligible for a permanent resident visa under the FSWP, applicants must meet the “minimum number of points required of a skilled worker” or the “pass mark” set by the Minister. The pass mark was last set on September 18, 2003 at 67 points<sup>3</sup>.

## Major findings and conclusions

The major findings and conclusions arising from the evaluation are as follows:

### **A. All stakeholder groups recognize a strong, continuing need for the Federal Skilled Worker Program.**

Interviewees attributed the need for this program to the importance of skilled workers for the economy, and the presence of skill shortages, which have resulted from economic growth and the increasing rates of retirement associated with an aging population (although economic data have not indicated widespread skill shortages). They observed that the FSWP is consistent with departmental and Government-wide priorities in that it helps to strengthen the Canadian labour market and economy, maintain a stable workforce, and build a stronger and more competitive country. As well, they stated that the Program responds to the immediate and longer-term need for highly skilled professionals, and addresses Canada’s broader immigration objectives. Stakeholders suggest that by targeting different pools of workers and responding to different economic needs, the Provincial Nominee Program (PNP) and Canadian Experience Class (CEC) complement, rather than duplicate, the FSWP.

### **B. The findings from the IMDB data analysis and the FSW surveys demonstrate that IRPA FSWs become established economically and meet the needs of employers.**

With respect to economic indicators, the IMDB analysis found that 89% of FSWs were employed or self-employed three years after landing. Employment earnings for this group also increased over time.

Ninety-five percent of the employers surveyed for the evaluation indicated that FSWs are meeting or exceeding their expectations. Further, most employers (63%) had found it difficult to fill the position for which the FSW was eventually hired.

### **C. Adoption of the new FSWP selection criteria in 2002 has improved the economic performance of FSWs and is broadly supported by the interviewees.**

IMDB data indicates that the average employment earnings of IRPA FSWs are higher than those of pre-IRPA. For the 2004 cohort, for example, employment earnings increased from \$40,100 in the first year after landing to \$47,500 a year later, while average employment earnings for pre-IRPA FSWs increased from \$24,300 to \$31,300 for the same time period. The percentage of FSWs reporting employment insurance receipts or social assistance benefits has also declined with the introduction of IRPA. Regression analysis of FSW earnings also shows that the selection regime significantly affects the level of income of FSWs. IRPA FSWs earn significantly more than their pre-IRPA counterparts.

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<sup>3</sup> Between June 28, 2002 and September 18, 2003, the pass mark was set at 75 points.

**D. Skilled workers who have arranged employment have significantly higher employment earnings than those who did not have an Arranged Employment Offer (AEO). However, staff at some Canadian Visa Offices Abroad (CVOA) have serious concerns regarding the integrity of AEOs as they currently exist.**

IMDB data shows that the average employment earnings for FSWs with an AEO were \$79,200 three years after landing, compared to \$44,200 for those without. Results from the client survey support this finding. In addition, the survey indicates that IRPA FSWs with an AEO are more likely to still be working for their first employer in Canada.

In the case studies, some CVOA staff expressed serious concerns over the level of fraud involved, and the due diligence required to assess the validity of job offers. The AEO fraud is commonly associated with job offers from non-existent employers, fictitious positions incompatible with the type of business or business operations, offers of convenience from friends or family members, and genuine offers with inflated job descriptions.

**E. Processing times show that IRPA was successful in reducing the time associated with the selection decision and final decision. However, this was largely offset by an increase in the time required to complete the paper screening, as the rate of applications received exceeded the capacity to process them. Notwithstanding this, the revisions have resulted in a system that is more transparent, objective, and easier to understand.**

Although the regulations relating to FSWP have moved towards a more objective, transparent and efficient process of selecting skilled workers, the processing times remained long and the backlog increased. Average overall processing times increased by 3 months (from an average of 20 months under pre-IRPA to an average of 23 months under IRPA). Reductions in the time required for the selection decision and final decision were largely offset by an increase in the time required to complete the paper screening (initial screening of the applications was delayed by the large number of files in the queue and competing priorities).

Key factors that contributed to this increase in the backlog include:

- Litigation. The applications that underwent dual assessments after the introduction of IRPA, created delays in the application processing (the average processing time increased from 20 months under pre-IRPA to 55 months for dual assessed applications).
- Competing priorities and reduced visa targets. From 2002 to 2008, the minimum visa target for the FSWP decreased from about 116,000 to 67,000 visas. Applications received under the PNP, the Quebec skilled worker program and the Ministerial Instructions are given priority within the economic class, which often limits the ability to process IRPA applications received before Ministerial Instructions were introduced. Lowering the visa targets for the FSWP limits the ability of a CVOA to reduce its backlog.
- Potential for fraud. Fraud is prevalent across the CVOAs visited, and is a major concern for visa officers. Some areas suffer from higher levels of fraud, which is at least in part evident in the level of the approval rates in different visa offices. In such cases, it may take longer to assess an application.
- Limited access to effective tools and resources. A lack of standardised tools to aid in the assessment of language, education, and work experience makes it very difficult to achieve consistent, reliable and timely processing of applications.



- High intake levels for applications. There was a surge in the number of applications received before IRPA came into effect in 2001, and again in 2004, when the pass mark was lowered from 75 to 67.
- Adjusting the pass mark. While it was envisioned in the program design that the pass mark would be adjusted to manage the flow of applications received, this has not occurred since 2003. Therefore, intake of applications remained high as many applicants could qualify under the 67 points pass mark.

**F. While most interviewees view the current selection criteria to be appropriate given the objectives of the Program, many identified potential opportunities for improvement with respect to the assessment process and the number of points awarded for certain criteria.**

The IMDB data indicates that the selection factors are effective predictors of economic performance. In particular, regression analysis indicate that the economic performance of FSWs is closely linked to whether they have an AEO, as well as to their language abilities and previous work experience in Canada prior to obtaining permanent resident status. Among other factors from the selection grid, age, education, work experience and partner's education also have a positive effect on employment earnings. Relatives in Canada and having studied in Canada for at least two years are the only two selection factors that have a negative impact on earnings.

To improve the FSWP, interviewees, CVOA staff, and research on other similar programs, suggest that consideration should also be given to: requiring formal language testing and placing greater emphasis on full fluency in one of the official languages; placing a higher priority on younger skilled workers; establishing educational equivalencies and requiring credential recognition in regulated professions; reviewing the adaptability criterion particularly with respect to awarding AEO points under two different criteria; spousal education; and the definition of relatives in Canada.

**G. Most provincial governments prefer the PNP due to its perceived responsiveness about provincial priorities and needs. As the PNP has expanded in recent years, the levels for the FSWP have been reduced, to ensure CIC adheres to the annual levels plan.**

Most provincial governments prefer the PNP, citing perceived advantages such as greater responsiveness to immediate labour needs and provincial priorities, the ability to attract workers who wish to settle in destinations other than major urban centers and shorter processing times.

In response to strong provincial support, the target for the PNP has increased from 1,500 visas in 2002 to 20,000 visas in 2008. According to official documents and available data, the minimum targets for the FSWP decreased from 116,000 visas to 67,000 visas over the same time period.

**H. The characteristics of FSWs have changed and are more diversified with the introduction of IRPA.**

In response to the changes in regulations and selection factors, the characteristics of FSWs have changed somewhat under IRPA, as FSWs selected under that regime are more highly



educated and have a better knowledge of official languages. Other changes include shift in the source countries of applicants, illustrated by a drop in admission from Asia.

Even though China remained the top source country for principal applicants landing in Canada, the share of FSWs coming from that country went from 28% under pre-IRPA to 16% under IRPA. The occupational mix of FSWs also became more diversified with the introduction of the IRPA regulations. The majority (60%) of pre-IRPA FSWs were intending to work in professional occupations in natural and applied sciences (NOC 21), while the percentage of FSWs intending to work in these professions was much lower (33%) after IRPA was introduced. Another outcome of IRPA is therefore the diversification of the profile of FSWs admitted under that regime.

**I. Information regarding points is deleted in CAIPS for applicants whose interviews are waived**

Recognizing that the CAIPS system was designed at a time where most applicants were asked for an interview, the database did not capture selection decisions for people who were not interviewed. With the new regulations, the majority of applicants are not interviewed as part of the selection process. Therefore, the information regarding selection decisions is lost in the CAIPS system. This makes it difficult to assess the impact of the selection criteria.

When the Global Case Management System (GCMS) is implemented, the system should be designed in a way that such information is kept for further analysis.



## FEDERAL SKILLED WORKER EVALUATION – MANAGEMENT RESPONSE

Key Finding	Response	Action	Accountability	Implementation Date
I. Program Relevance				
There is a need for Federal skilled workers (FSW) because of the economic growth and the increasing rates of retirement which create skill shortages in the labour market.	CIC agrees with this finding. The FSWP is intended to support longer-term and sustained economic growth.	<ul style="list-style-type: none"> <li>No action required.</li> </ul>	IB	
The FSWP is consistent with departmental and Government-wide priorities. The Program benefits the Canadian labour market and economy, mitigates some of the impacts of demographic changes, and helps to maintain a stable workforce.	CIC agrees with this finding and will continue to monitor the outcomes and employment rates of FSWs and how they perform in the Canadian labour market and will, when required, make adjustments to the program to ensure it continues to meet departmental and Government-wide priorities.	<ul style="list-style-type: none"> <li>In June, 2010 Federal-Provincial-Territorial (FPT) Ministers Responsible for Immigration approved the Joint FPT Vision for Immigration to Canada and agreed to advance discussions about a multi-year approach to immigration levels planning.</li> <li>As discussions at FPT tables continue in 2010 on identifying shared objectives for immigration, CIC will be endorsing a strong and sustained FSW presence given the evidence around positive contributions and outcomes.</li> </ul>	IB	2012
II. Program Design and Implementation				
The revisions of the selection criteria have resulted in a system that is more transparent, objective, and easier to understand for applicants.	CIC agrees with this finding. IRPA redesign of the FSWP was intended to make the program more transparent, objective and easier to understand. CIC continues to assess the outcomes of the FSWP and, when desirable and appropriate, will make improvements to the program to ensure that it continues to meet these standards.	<ul style="list-style-type: none"> <li>The revisions of criteria have provided opportunities for CIC to provide simpler information to clients and the objective/transparent criteria is permitting us to do even more in terms of providing tools to prospective immigrants so that they can better identify their chances of success.</li> <li>CIC will continue to add to the self assessment tools available to prospective applicants by rolling out a new tool to assist prospective applicants in determining which immigration category is the best choice for them and what criteria they will need to meet in order to qualify. It is a complement to the existing self-assessment tools for FSWs.</li> <li>We are also introducing more risk based “tiers” of decision making and hope to leverage the objective criteria in permitting more centralized decision making</li> </ul>	IB/OMC  SIO/COMMS  SIO/OMC/CPR	2011  2012

Key Finding	Response	Action	Accountability	Implementation Date
		(to be tested within the next 24 months from CIO Sydney).		
There are potential opportunities for improvement with respect to the assessment process and the number of points awarded for certain criteria. To improve the FSWP, consideration should be given to: i) formal language testing; ii) younger skilled workers; iii) educational equivalencies and credential recognition in regulated professions; and iv) adaptability criterion Arranged Employment Offers (AEO) points under two different criteria; spousal education; and relatives in Canada).	<p>CIC agrees with this finding and will continue to conduct research on best practices internationally to ensure that our selection system is effective and efficient in meeting its objectives.</p> <p>CIC has already instituted Ministerial Instructions (MI) to require third party language testing, effectively removing an applicant's ability to present other written evidence thereby increasing the reliability, transparency and efficiency of the language assessment process.</p> <p>To ensure that clear pathways to qualification recognition and workforce integration are in place, federal, provincial and territorial governments, regulatory bodies and other relevant stakeholders have begun the implementation of the Pan-Canadian Framework for the Assessment and Recognition of Foreign Qualifications (the Framework), which was announced on November 30, 2009.</p>	<ul style="list-style-type: none"> <li>• CIC is planning to hold consultations in Fall 2010 on potential changes to the FSWP selection criteria.</li> <li>• CIC is pursuing regulatory changes to give permanence to the requirement to submit the results of a third party language test.</li> <li>• As part of the Framework, ten regulated occupations are targeted for implementation by December 31, 2010, and further progress is expected for an additional six occupations by 2012.</li> <li>• CIC's Foreign Credentials Referral Office (FCRO) is the federal lead on FCR initiatives overseas that provide pre-arrival support to prospective immigrants. On April 1, 2010, the FCRO signed a three-year Contribution Agreement with the Association of Canadian Community Colleges to deliver overseas in-person orientation services, beginning in fall 2010.</li> <li>• Once credential assessment and recognition processes are established in Canada according to the four principles set out in the Framework, CIC can begin to examine the feasibility of moving credential assessment processes overseas.</li> </ul>	<p>IB</p> <p>IB</p> <p>FCRO</p> <p>FCRO</p> <p>IB/FCRO</p>	<p>October 2010</p> <p>Publication February 2011</p> <p>December 2010/2012</p> <p>October 2010</p>
Fraud in the FSWP is prevalent across the Canadian Visa Offices Abroad (CVOAs) visited. Some areas suffer from higher levels of fraud, which has an impact on the approval rates in different visa offices. In such cases, it takes longer to assess the genuineness of an application and the acceptance rate is also lower.	<p>CIC is aware of the prevalence of fraud and is acting to mitigate its prevalence, incidence and scope.</p> <p>The Department mitigates fraud by various means, including in-depth training of visa officers, in cooperation with the Canadian Border Service Agency (CBSA) the deployment of Migration Integrity Officers (MIOs), ongoing risk assessment, and other fraud detection activities such as site visits, follow-up surveys, document verification, etc.</p>	<ul style="list-style-type: none"> <li>• The Department is presently finalizing a Quality Assurance framework which will support our moving towards a more streamlined risk based decision making model.</li> <li>• Operations focus is to increase awareness of fraud in all of our business lines and to develop tools which will support integrated efforts on fraud.</li> <li>• The roll out of GCMS will permit better data gathering on document verification and fraud and the development of a better cost model for this activity. Funding will come in part on refocusing our energy on high fraud movement away from low risk file work.</li> </ul>	<p>OMC</p> <p>OMC</p> <p>GCMS/OMC</p>	<p>QA: Q4-2010</p> <p>2011-2012</p> <p>2011-2012</p>

Key Finding	Response	Action	Accountability	Implementation Date
Information regarding points is deleted in CAIPS for applicants whose interviews are waived. This makes it difficult to assess the impact of the selection criteria.	CIC agrees with this finding.	<ul style="list-style-type: none"> <li>CIC is in the process of rolling out a new case processing system, Global Case Management System (GCMS), which will be fully implemented by the end of March 2011.</li> <li>The data deletion issue will not occur under GCMS.</li> <li>Missions will process new cases in GCMS and complete processing of existing cases in CAIPS. It will vary by mission how long it takes to move fully to GCMS.</li> <li>CAIPS will be phased out after the full implementation of GCMS.</li> </ul>	GCMS/ CVOAs	GCMS Q1-2011  CAIPS Phase-out (TBD)
III. Program Impact				
IRPA selection regime significantly affects the level of earnings of FSWs. IRPA FSWs have significantly higher incomes compared to pre-IRPA FSWs.	CIC agrees with this finding and will continue to monitor the outcomes and the employment rates of FSW PAs and how they perform in the Canadian labour market.	<ul style="list-style-type: none"> <li>No action required.</li> </ul>	IB	
Selection factors are an effective predictor of economic performance. In particular, the economic performance of FSWs is closely linked to whether they have an AEO; as well as to their language abilities and work experience in Canada prior to obtaining permanent resident status.	CIC agrees with this finding and will continue to monitor the outcomes of FSW PAs in general, as well as how they relate to the selection criteria in order to better inform program decisions.	<ul style="list-style-type: none"> <li>No action required.</li> </ul>	IB	
Although FSW with an AEO have better economic outcomes than those without an AEO, CVOA staff are not supportive of using AEOs as they currently exist because of serious concerns regarding the integrity of	<p>CIC, given the superior economic performance of applicants with an AEO, will continue to utilize AEOs despite the challenges they presently engender.</p> <p>CIC is devoting efforts to tighten integrity measures related to AEOs given the superior outcomes related to this factor and the fact that the incentive</p>	<ul style="list-style-type: none"> <li>Consultations on regulatory changes to the FSWP selection factors, including AEO, will be held in Fall 2010.</li> <li>Planned improvements related to the sharing of information between HRSDC, Service Canada and CIC will help alleviate some of the processing challenges related to AEOs.</li> </ul>	<p>IB</p> <p>IB/OMC/IR/ HRSDC/ Service Canada</p>	<p>Fall 2010</p> <p>Winter 2011</p>

Key Finding	Response	Action	Accountability	Implementation Date
arranged employment offers and the amount of work devoted to processing those applications.	<p>for AEO fraud has increased since Ministerial Instructions were published in 2008. Those instructions make an AEO essential for applicants not included on the list of eligible NOCs, and still bring substantial points to those applicants who are on the list of eligible NOCs.</p> <p>In response to these concerns, the Department held targeted consultations on some early options for addressing the integrity of the AEO process in 2009. The results of those consultations are being used to develop a refined set of proposals for improving the integrity of AEO issuance in Canada, and to support visa officers conducting verifications from CVOAs.</p>			
Processing times show that IRPA was successful in reducing the time associated with the selection decision and final decision. However, this was largely offset by an increase in the time required to complete the paper screening, as the rate of applications received exceeded the capacity to process them.	<p>CIC is taking action to harmonize intake with processing capacity.</p> <p>It is important to note that the ability to assess the impact of regulatory changes on the streamlining of processing has been hampered by increasing volumes that far exceeded capacity.</p> <p>Over the past decade the FSW backlog grew for a variety of reasons including increasing volumes of applications that far exceed processing capacity, the lowering of the pass mark for the FSW category resulting in an intake increase in 2003, the need to process applications in a dual-assessment method following a court ruling.</p> <p>In 2008, Parliament approved changes to IRPA to help CIC better manage its immigration system by granting the Minister of CIC the authority to issue Ministerial Instructions (MI).</p> <p>CIC issued MI in November 2008, which allowed CIC to limit the number of FSW applications to be processed based on eligibility criteria that correspond to Canada's labour market needs. As a result, CIC has reduced the FSW backlog by more than 40% and reduced processing times to 6-12 months.</p>	<ul style="list-style-type: none"> <li>CIC will continue to monitor the intake of FSW applications, processing times and the status of backlog reduction efforts in order to ensure that the immigration system is responsive to the needs of the labour market and that CIC is able to meet its goal of eliminating the FSW backlog.</li> <li>Additional capacity is being created in our delivery system by leveraging the GCMS which permits CIC to move workload to staff (rather than staff to workload) in a more cost effective manner. Already, efforts to focus overseas resources on fraud, and away from routine processing, have shown results in terms of processing times. We will continue to explore the potential for shortening processing times by requesting more evidence before a file is opened in our systems.</li> <li>The institution of third-party language testing will help improve processing timelines. The requirement to submit the results of a third party language test has already been introduced in the MI and will be given permanence in regulations in upcoming regulatory changes.</li> <li>Further refinements, such as third-party tools to aid in the assessment of educational credentials are being explored.</li> </ul>	<p>IB/OMC/R&amp;E</p> <p>OMC, IR, SIO, CPR</p> <p>IB</p> <p>IB</p>	<p>Ongoing</p> <p>2010-2011</p> <p>Winter 2011</p> <p>2011-2012</p>

Key Finding	Response	Action	Accountability	Implementation Date
	<p>However, in the first three months of 2010, CIC witnessed a dramatic rise in the number of new applications, and oversubscription to certain occupations listed in the first set of MI. In order to avoid the creation of new backlogs and increased processing times, CIC issued new MI in June 2010, revising the list of occupations in demand and instituting caps for these occupations.</p>	<ul style="list-style-type: none"> <li>CIC will begin an evaluation of the MI.</li> </ul>	R&E	2010-2011
<p>As the PNP has expanded in recent years, the levels for the FSWP have been reduced, to ensure CIC adheres to the annual levels plan. Most Provincial governments prefer the PNP, citing perceived advantages such as greater responsiveness to immediate labour needs and provincial priorities, the ability to attract workers who wish to settle in destinations other than major urban centers and shorter processing times.</p>	<p>CIC agrees with the finding that the PNP brings advantages for Provinces and Territories, and their prospective immigrants. These advantages were intended and are designed to complement other economic immigration programs, such as the FSWP.</p> <p>CIC will continue to work with provinces and territories to ensure the program continues to meet the objectives of all jurisdictions while respecting the IRPA, IRPR and relevant immigration agreements.</p> <p>CIC will continue to work with PTs to ensure that our agreed to multi-year levels plans accommodate the needs of both the FSWP and the PNPs as they both respond to distinct and important needs.</p>	<ul style="list-style-type: none"> <li>CIC, in consultation with provinces and territories, is developing a strategic roadmap for immigration. Components of the strategic roadmap include the development of a common federal-provincial-territorial (FPT) vision for immigration as well as a multi-year levels planning (MYLP) system.</li> </ul>	IB	2012
		<ul style="list-style-type: none"> <li>The Joint FPT Vision for Immigration to Canada was approved in June 2010 by FPT Ministers with Responsibility for Immigration. The Joint Vision recognizes the economic and social benefits of immigration to all Canadians, and guides program development and evaluation. Phase II of the development of the Joint Vision will include identifying shared objectives and a 3-5 year action plan. MYLP will be incorporated into Phase II with the goal of bringing forward to Cabinet a proposal to launch the first joint multi-year levels plan in 2012.</li> </ul>	IB	2012
		<ul style="list-style-type: none"> <li>Via the economic working group, CIC will engage in multilateral discussions on a common quality assurance framework to enhance the consistency of nomination decisions which are compliant with the <i>Immigration and Refugee Protection Act</i>, its regulations and provincial/territorial program criteria.</li> <li>CIC will begin a national evaluation of the PNP in Fall 2010, in cooperation with the PTs. In addition, PTs are required to conduct their own evaluations of their programs. Provinces and territories are required to share the results of their provincial evaluations with CIC.</li> </ul>	IB/R&E (evaluation only)	Fall 2011



Key Finding	Response	Action	Accountability	Implementation Date
IV. Cost-Effectiveness/Alternatives				
The lack of standardized tools to aid in the assessment of AEOs, language, education, and work experience make it very difficult to achieve consistent, reliable and timely processing of applications.	<p>CIC agrees with this finding.</p> <p>CIC is making efforts to gain processing efficiencies where standardized tools exist and are feasible to implement.</p> <p>Recent MI require all applications received on or after June 26, 2010, to be accompanied by a valid language test result. This tool will assist visa officers in making timely and reliable assessments against the language requirement.</p> <p>With respect to assessing the reliability of an applicant's work experience, CIC is not aware of any standardized tool that can help assess this particular factor.</p>	<ul style="list-style-type: none"> <li>With respect to AEOs, CIC, HRSDC and SC are working together to increase the sharing of information to reduce duplication of work related to this factor. This exchange is also expected to help increase the integrity of the AEO process.</li> <li>With respect to assessing the validity of educational credentials, CIC is exploring mechanisms that could help increase the consistency, reliability and timeliness of the assessment. If operationally feasible and affordable to implement system-wide, third-party tools could be integrated into the process.</li> </ul>	IB/OMC/IR	Fall 2010
			IB/OMC/IR/SIO	2011-2012

# 1. INTRODUCTION

## 1.1. Purpose

Canada has adopted a comprehensive immigration policy to select applicants for immigration. The system contains provisions for several classes of immigrants: family, economic (which includes skilled workers, provincial nominees, self-employed persons, entrepreneurs, investors, and live-in caregivers), and refugees. Since June 28, 2002, Canada's immigration program has been based on the *Immigration and Refugee Protection Act* (IRPA) and its regulations. The Federal Skilled Worker Program (FSWP)<sup>4</sup> was designed to select permanent residents based on their ability to become economically established in Canada. This report presents the findings and conclusions of the evaluation of the Federal Skilled Workers Program, from the period following introduction of IRPA in 2002 to the implementation of the Ministerial Instructions (Bill C-50) in 2008.

The purpose of this evaluation is to assess the design, implementation and impact of the redesigned FSWP, introduced on June 28, 2002. More specifically<sup>5</sup>, the objectives of the evaluation are to assess:

- 1) **Program design and implementation**, including timeliness, consistency and transparency of selection; and
- 2) The **impact of the program to date** at the immediate and intermediate outcome levels, including a preliminary assessment of the economic establishment of skilled workers.

The evaluation focuses on a series of evaluation issues and questions related to program relevance, design and implementation, program impact, alternatives, cost-effectiveness, and unintended outcomes, as listed in the chart below.

### *Listing of evaluation issues and questions*

<b>Relevance</b>	<ul style="list-style-type: none"><li>• Is there an ongoing need for the FSWP?</li><li>• Is the FSWP consistent with departmental and government-wide priorities?</li></ul>
<b>Design and Implementation</b>	<ul style="list-style-type: none"><li>• Does program delivery facilitate the timely and efficient entry of prospective skilled worker immigrants?</li><li>• Are policy and directives evidence-based? Do they support consistent, efficient and transparent selection?</li></ul>
<b>Program Impact</b>	<ul style="list-style-type: none"><li>• Are skilled worker immigrants becoming established economically?</li><li>• Is the Human Capital approach the most effective approach to maximize economic outcomes for skilled worker immigrants?</li><li>• Do skilled workers leave Canada?</li><li>• What are the trends relating to secondary migration of skilled worker immigrants between provinces?</li><li>• Are skilled workers with an Arranged Employment Offer (AEO) meeting the needs of the Canadian Labour Market?</li></ul>

<sup>4</sup> FSWP refers to Federal Skilled Workers Program, FSWs refer to Federal Skilled Workers.

<sup>5</sup> A logic model has been developed for the FSWP which outlines activities, outputs and program outcomes. The logic model is presented in Appendix III.

<b>Alternatives</b>	<ul style="list-style-type: none"> <li>• Have there been or are there any expected changes in the Canadian labour market that would impact the appropriateness of the current selection criteria?</li> <li>• Are there alternative selection criteria or other ways of assessing current criteria that could meet policy objectives more effectively? Are there other programs that meet or could meet the objectives of the FSWP?</li> </ul>
<b>Cost-effectiveness</b>	<ul style="list-style-type: none"> <li>• Is the operation of the FSWP cost-effective?</li> <li>• Are resources used efficiently?</li> </ul>
<b>Unintended Outcomes</b>	<ul style="list-style-type: none"> <li>• To what extent have transitional cases impacted the processing of skilled worker applicants?</li> <li>• Have there been any unintended outcomes?</li> </ul>

## 1.2. Evaluation methodology

The evaluation used multiple approaches and lines of evidence. Data was collected and analyzed from a variety of primary (e.g. interviews, surveys and focus groups) and secondary data sources (document and literature review, as well as federal government databases).

### A. Primary Data Sources

The primary data sources for this evaluation include interviews with key informants, surveys of FSWs and their employers, and case studies. The methodology used for each of line of evidence is outlined below:

- **Interviews with key informants.** The key informant interviews were designed to address evaluation questions related to relevance, program design and implementation, program impact, effectiveness, unintended outcomes and alternatives. As indicated in Table 1-1, 53 key informants were interviewed.

**Table 1-1: Summary of the key informants participating in evaluation**

Target Population	Number Interviewed	Administered	Participants
CIC managers and program officers at National Headquarters	8	In person semi-structured interviews conducted in Ottawa in July 2009	<ul style="list-style-type: none"> <li>• CIC managers &amp; program officers at National Headquarters who are involved in design, implementation and management of the program on the national level</li> </ul>
Representatives from Human Resources and Skills Development Canada	5	Semi-structured interviews generally administered in person	<ul style="list-style-type: none"> <li>• HRSDC representatives involved in approving Arranged Employment Offers and issuing work permits</li> </ul>

Canadian Society of Immigration Consultants (CSIC)	14	Semi-structured interviews administered by telephone	<ul style="list-style-type: none"> <li>CSIC and CBA representatives who work directly with FSWs applying for the program, providing advice and assistance in the application process in Canada and abroad</li> </ul>
Canadian Bar Association members (CBA)	18		
Provincial representatives	8	Two representatives provided input in writing; others were interviewed by telephone.	<ul style="list-style-type: none"> <li>Provincial representatives from Alberta, Ontario, Prince Edward Island, Newfoundland, Nova Scotia, Manitoba, British Columbia and Yukon</li> </ul>
Total key informants interviewed			<ul style="list-style-type: none"> <li>53</li> </ul>

- Surveys of FSWs and employers.** A telephone survey of 1,500 FSWs who entered Canada through the FSWP was conducted. A letter from CIC asked skilled worker immigrants to formally consent to participate in a telephone survey. The letter was sent to a random sample of 30,000 Federal Skilled Workers who were selected under the IRPA criteria and landed between 2002 and 2008. Six thousand were returned as wrong addresses. Of the 24,000 FSWs who received the letter, 2,053 consented to participate in the survey. Each of these FSWs was contacted for a total of 1,500 respondents. FSWs interviewed were asked to provide information about their current/recent employers, and employers who had participated in the Arranged Employment Offer (AEO) program. A sample of 110 current or recent employers and 53 employers who had previously made an AEO to one or more FSWs, whom they subsequently hired, were interviewed. The purpose of these interviews was to get the views of employers who have hired FSWs on the need for the program, the process of applying for and hiring FSWs with arranged employment, characteristics of FSWs and their positions, and employers' overall satisfaction with the FSWP.
- Case Studies.** The case studies consisted of field visits to 5 Canadian Visa Offices Abroad (CVOA): London, New Delhi, Hong Kong, Port of Spain, and Buffalo. These visits were designed to provide a better understanding of the program implementation, selection processes, challenges and best practices. Case studies consisted of interviews with visa office staff, including medical officers, a focus group in each mission, and review of mission documents, data and a sample of FSW files. Interviews were also conducted with stakeholders from the Canada Border Services Agency (CBSA), CSIS, and RCMP, Canadian Integration Immigration Project representatives in New Delhi and Hong Kong, a representative from NARIC (London) and staff from the British Council. Client interviews conducted by visa officers as part of the assessment process were observed. In total, 83 visa office staff and stakeholders were interviewed (8 managers, 55

visa office staff, and 20 stakeholders), 73 client files were reviewed, and 8 client interviews were observed.

## B. Secondary Data Sources

The secondary data sources for this evaluation include document review, literature review, and statistical analysis of the Field Operations Support System (FOSS), the Computer Assisted Immigration Processing System (CAIPS) and the Longitudinal Immigration Database (IMDB). The following describes each of the secondary data sources used in this evaluation:

- **Document Review.** In the document review, particular emphasis was given to obtaining information to address evaluation questions relating to program relevance and to application processing and selection. Examples of the documents reviewed include operational manuals; mission directives; briefing notes; progress, financial, statistical, and annual reports; policy documents; operational profiles; program meeting notes; and process and procedure documents.
- **Literature Review.** A literature review on skilled immigrant workers both in Canada and in other countries was conducted to obtain additional perspectives and evidence regarding approaches for selection and processing of skilled worker applicants. A comparative analysis of similar programs in Australia, New Zealand was undertaken. The selection process in the province of Quebec, which selects immigrants destined to that province, was also examined. Evidence-based information on the economic success of immigrants, changes in the labour market, and the appropriateness of the current selection system was identified through the literature review.
- **Statistical Analysis of CAIPS and FOSS databases.** The Computer Assisted Immigration Processing System (CAIPS) database contains information about all the immigration applications submitted to CIC and the points received by FSW applicants on each of the selection factors of the grid (see section 1.3 for data limitations). The Field Operations Support System (FOSS) contains landing information on immigrants entering Canada. The analysis of these two databases was used to address evaluation issues regarding program design and implementation, including timely and efficient entry of skilled worker immigrants (CAIPS) and to describe landed immigrant profiles (FOSS).
- **Statistical Analysis of the Longitudinal Immigration Database (IMDB)<sup>6</sup>.** The longitudinal Immigration Database (IMDB) is a database that links immigration and taxation administrative records into a comprehensive source of data on the economic performance of the immigrant population in Canada<sup>7</sup>. For the purpose of this evaluation, a series of fields from the CAIPS data file was added to the IMDB. This allowed for a more complete analysis of the FSWP. The IMDB was used to assess a number of evaluation issues related to program impact, effectiveness of the selection criteria, and the mobility (interprovincial and outward migration) of FSWs. More specifically, it was used to compare economic outcomes of principal applicants (PA) admitted under the IRPA regime to the pre-IRPA selection regime, and to examine factors that have the greatest impact on their outcomes based on the selection regime and points under which

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<sup>6</sup> For more detailed information about the IMDB analysis that was done for the purpose of this evaluation, refer to the IMDB technical report. In addition to presenting the methodology used and analysis results, the report contains a section comparing the population in the IMDB to the population in FOSS for the same time period.

<sup>7</sup> Note that the number of individuals who are included in the IMDB is lower than the total admissions as not all immigrants have filed a tax return.

they were accepted. For the purpose of the analysis, all earnings were adjusted using the Consumer Price Index (CPI) to account for inflation. This allows comparison of earnings across the different years.

### **1.3. Evaluation strengths and limitations**

#### **A. Evaluation Strengths**

Key strengths of the evaluation approach include:

- Relationships can be inferred through the use of multiple lines of evidence, for example, the use of various sources of information and a mix of methods such as interviews, surveys, case studies, document and literature research, and statistical analyses of three different databases. This type of evaluation design facilitates triangulation of findings and improves the reliability and validity of findings.
- Significant sample sizes incorporated the perspective of the key stakeholder groups involved with the program. Over 1,800 individuals from various groups provided input via primary data sources, thus strengthening the level of evidence.
- The extensive use of secondary data covering pre-IRPA and IRPA (e.g. applications/approvals, processing times, income data) was used to develop a simple time series design and create a baseline time trend for comparison purposes. As mentioned earlier, IMDB analysis included large number of individuals arriving between 2000 and 2006, including 157,440 pre-IRPA FSWs, 28,730 FSWs arriving under dual assessment and 31,945 FSWs arriving under IRPA. A total of 218,115 individuals were included in IMDB analyses. Only individuals who made a tax filing are included in the IMDB. The number of individuals included in this database is therefore lower than the total admission numbers, as not every immigrant has filed a tax return.
- A variety of descriptive and inferential statistical analyses were utilized (e.g. cross tabulation, regression, survival analysis, etc.) to further support comparative findings and the effectiveness of selection criteria.

Triangulation of results from the multiple lines of evidence indicates strong consistency of findings across data sources, with the exception of AEOs (see section 3.4. of the report). The evaluation data obtained from each line of inquiry was analyzed to address each evaluation question, taking into account their strengths and limitations.

#### **B. Challenges and Limitations**

Some of the challenges and limitations that should be considered in reviewing the results include:

- Potential non-response error in the survey of FSWs. Given the self-selected nature of the survey, there is concern that the characteristics of FSWs who responded may be different from those who did not. A comparative analysis indicated that there are minor differences in FSWs participating in the survey compared to the general population of FSWs. The FSWs who participated are somewhat more likely to:
  - Have landed in Alberta (15% versus 11% in the overall population of FSWs)
  - Be female (36% versus 31%)

- Be British (11% versus 7%) and less likely to be Indian (8% versus 17%) or Chinese (7% versus 16%)
- Be over the age of 35 at the time of landing (64% versus 50%)
- Have English as a Mother Tongue (29% versus 19%).

In addition, the FSWs who participated are less likely to have moved. Approximately 20% of the introductory letters mailed to FSWs were returned to CIC because the FSWs no longer resided at that address<sup>8</sup>.

- Potential respondent bias (i.e., target groups with a vested interest in the program). Some groups included in the analysis such as employers of FSWs with an AEO, could be biased in their responses if it is in their interest to support the program. Views on the different themes (i.e., processing of applications, economic performance of FSWs, etc.) have been provided by multiple stakeholders. Therefore, potential bias was mitigated through the use of multiple lines of evidence, as well as validating findings through other primary and secondary research. How FSWs fulfill labour market needs could, however, only be addressed through the survey of FSW employers.
- The sample of employers was developed based on referrals from FSWs. This introduces a potential bias given that FSWs are more likely to provide referrals to employers with whom they have a positive relationship. As well, these findings cannot be generalized as the sample was not randomly selected.
- Challenges with the design of the data collection system (CAIPS). The allocation of points and entry into CAIPS is done in two steps. The first step, 'paper screening', is based on a review of the documentation in the applicant file and is generally conducted by locally engaged staff in Canadian Visa Offices Abroad (CVOA). It typically results in a paper screening decision entered in CAIPS. The paper screening points can be changed by the visa officer who makes the selection decision on the application and enters selection points into CAIPS (second step of the process). If the interview is waived (about 80% of IRPA cases) the selection decision is positive but the selection points are reset to 0. Therefore, the only information remaining for these individuals is paper screening points. The IMDB analysis used paper screening points, unless selection points were available. Tests were conducted to ensure that paper screening points provided an acceptable alternative. For those individuals for whom paper screening points and selection decision data were available (i.e. those who were interviewed), results show a low level of variability. Results indicate that for most variables, paper screening and selection results were close (language showed the greatest variation, with 72% of points remaining the same between paper screening and selection).<sup>9</sup> When the values changed, it was generally to increase the number of points awarded. Therefore, it can be assumed that using the paper screening points rather than selection points (when not available) would, if anything, provide a more conservative picture of the situation.

<sup>8</sup> Some individuals might have moved within the same city or province, or between provinces.

<sup>9</sup> Language showed the greatest variation with 72% of the points remaining the same between paper screening and selection. The points for adaptability were the same for 82% of the cases where both sets of points were available, while they remained the same 86% of the time for both experience and education points. The age and arranged employment factors were the ones where the greatest consistency was observed, with points remaining the same in 99.5% and 97.5% of the time respectively.



## **2. PROGRAM BACKGROUND AND PROFILE OF FEDERAL SKILLED WORKER PROGRAM**

This chapter provides a brief description of IRPA and the Federal Skilled Worker Program.

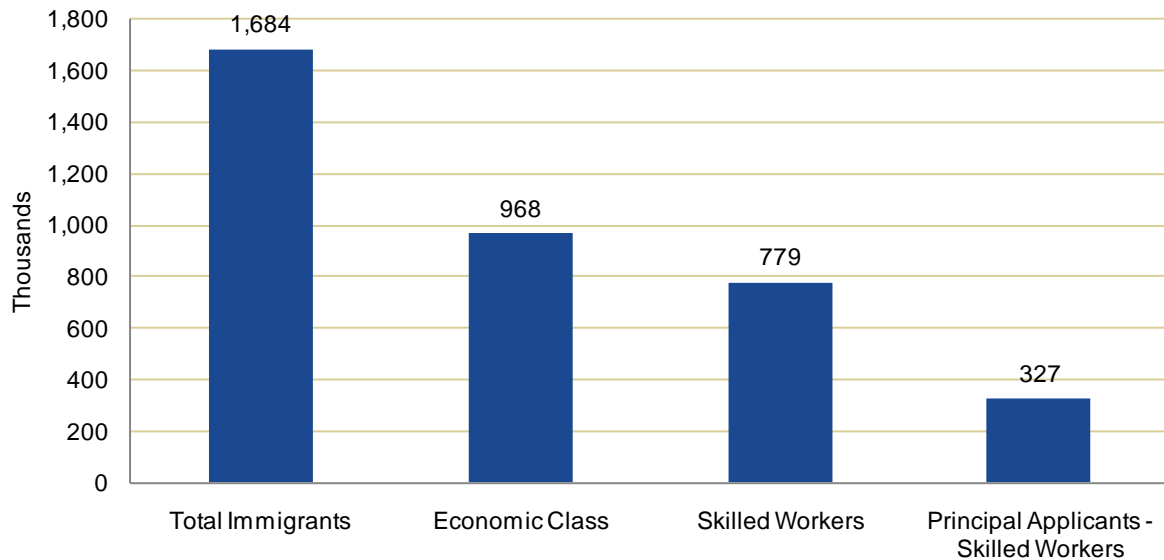
### **2.1. Immigration to Canada**

On average, 240,000 immigrants received permanent residence status per year between 2002 and 2008. A permanent resident is someone who has been allowed to enter Canada as an immigrant, but who has not become a Canadian citizen. There are three basic classes of permanent residents: family, protected persons, and economic:

- Under the Family Class, Canadian citizens or permanent residents can sponsor their spouse, common-law partner, conjugal partner, dependent child (including adopted child) or other eligible relative (such as a parent or grandparent) to become a permanent resident.
- Protected Persons Class. In accordance with its humanitarian tradition and international obligations, Canada protects many thousands of people each year. A Protected Person is someone who has reason to fear persecution in his or her country of origin due to race, religion, nationality, membership in a social group or political opinion. Protected persons can also be people in Canada who, if they were removed to their home country, would be subjected to a danger of torture, to a risk to their life or to a risk of cruel and unusual treatment or punishment. Applicants must be deemed to be a Convention Refugee or to be a person in need of protection by the Immigration and Refugee Board or deemed to be a person in need of protection after a Pre-removal Risk Assessment.
- The Economic Immigrant Class facilitates the entry into Canada of immigrants who are prepared to contribute to Canada's labour market needs and those who can make a contribution to the economy through investments and the establishment of new businesses. The economic class includes skilled workers, provincial nominees, business immigrants, live-in caregivers, and the Canadian Experience Class, as well as members of their immediate family.

As indicated below, there were approximately 327,000 FSW principal applicants who landed in Canada during the period covered by the evaluation.

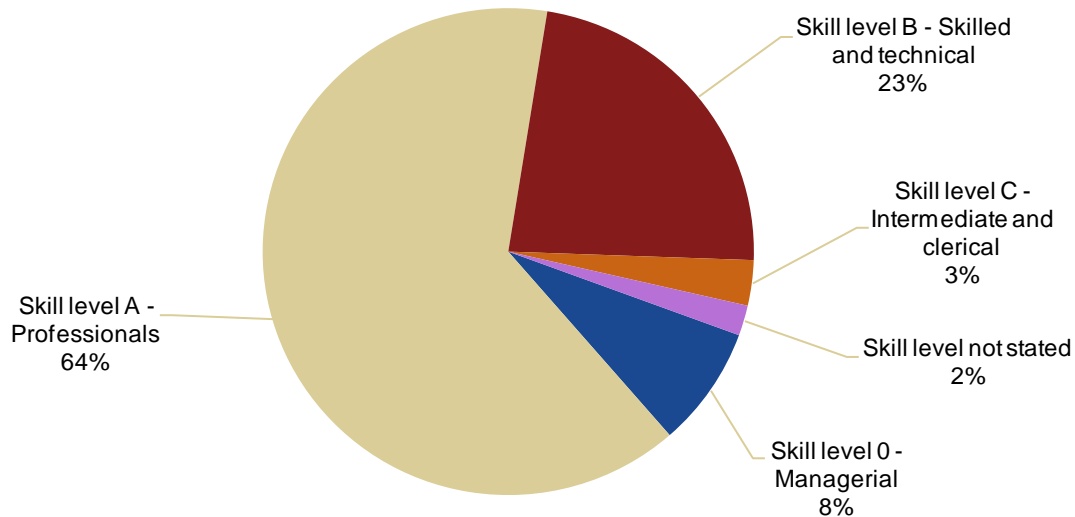
**Figure 2-1: Numbers of immigrants admitted to Canada from 2002 to 2008 ('000s)**



Source: CIC Facts and Figures, 2008

FSWs (principal applicants, spouses and dependants) accounted for 81% of the total economic class and 46% of the total number of immigrants who arrived in Canada from 2002 to 2008. According to *CIC Facts and Figures* (2008), 42% of the total FSWs arriving in this time period are principal applicants. About 72% of these principal applicants intended to work in a professional or managerial occupation upon arriving in Canada.

**Figure 2-2: FSWS arriving to Canada from 2002 to 2008, by intended occupational skill level**



Source: RDM - CIC Facts and Figures, 2008

## 2.2. Objectives of the IRPA

Section 3 of the *Immigration and Refugee Protection Act* (IRPA) lists a series of objectives with respect to foreign nationals. The following objectives are relevant to the Federal Skilled Worker Program:

- Permit Canada to pursue the maximum social, cultural and economic benefits of immigration;
- Support the development of a strong and prosperous Canadian economy, in which the benefits of immigration are shared across all regions of Canada;
- Support, by means of consistent standards and prompt processing, the attainment of immigration goals established by the Government of Canada in consultation with the provinces; and
- Enrich and strengthen the cultural and social fabric of Canadian society, while respecting the federal, bilingual and multicultural character of Canada.

## 2.3. Pre-IRPA and IRPA

With the introduction of the IRPA, the selection system for skilled workers was changed to respond to the dynamic labour market associated with today's knowledge-based, global economy<sup>10</sup>. Based on an objective and transparent points system, the new Federal Skilled Worker Program is intended to more effectively select immigrants who will succeed economically. The program amendments reflected the need to<sup>11</sup>:

- improve the economic success rate of skilled worker immigrants;
- maintain the quantity of skilled worker immigrants; and
- improve the transparency of the selection process.

Canada's previous skilled worker policy, while it had a human capital component, also included points for specific occupations. The skilled worker's intended occupation in Canada was therefore considered and given weight in the selection process. This approach was altered in favour of a broader lens of selection whereby the selection factors and points allocated better reflect an applicant's ability to move from job to job as the labour market changes.

The FSWP introduced with IRPA was based on a human capital model, without consideration of occupation. The Program was intended to maximize the long-term potential of economic immigrants in an increasingly complex labour market and knowledge-based economy, by focussing on key human capital attributes. The key attributes, related to immigrants' ability to succeed in Canada over the long-term, were identified as language, education, employment and age.

The June 2002 IRPA Regulations created transition provisions for applications submitted prior to January 1, 2002. Under the original transitional provisions, applications submitted prior to January 1, 2002 were to be assessed under the selection criteria of the former Immigration Regulations so long as the application received a decision by March 31, 2003. Any application that had been submitted prior to January 1, 2002, but that did not receive a selection decision by April 1, 2003 would then become subject to the IRPA selection criteria. Due to the perceived

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<sup>10</sup> Results-based Management Accountability Framework (RMAF) for the Federal Skilled Worker Program and the Skilled Worker Fast Track Initiative, CIC, November 2004.

<sup>11</sup> Canada Gazette "Immigration and Refugee Protection Regulations", Vol. 135, No. 50 — December 15, 2001.

inequity of these transition provisions, a number of applicants initiated litigation challenging these provisions<sup>12</sup>. As a result of some court orders and in response to these court challenges, on December 1, 2003, substantive amendments to the IRPA Regulations took effect, which provided for “dual assessment”, using either the selection criteria of the former *Immigration Act* (IA) or the IRPA, whichever evaluation would have been more favourable to the applicant. Widespread processing delays were caused by litigation which prevented the processing of numerous cases and the fact that all applicants who applied prior to June 1, 2002, were now required to be dual-assessed.

## 2.4. Assessment of skilled worker applications under IRPA

Applications submitted under IRPA FSWP are first assessed to determine whether the applicants meet the minimum requirements for further processing. Pursuant to the minimum requirements in R75(2), the applicant must have at least one year of continuous full-time paid work experience, or the continuous part-time equivalent, in the category of Skill Type 0, or Skill Level A or B, according to the Canadian National Occupational Classification (NOC). The work experience must have occurred within the 10 years preceding the date of application and the applicant must have performed a substantial number of the main duties, including all of the essential duties of the occupation as set out in the occupational description of the NOC. Applicants without arranged employment must show they have sufficient funds available for settlement in Canada.

Applicants who meet these minimum requirements are then assessed against six selection factors. To be eligible for a permanent resident visa under the FSWP, applicants must meet the “minimum number of points required of a skilled worker” or the “pass mark” set by the Minister. The pass mark was last set on September 18, 2003 at 67 points. If applicants fail to meet the pass mark but the officer believes that the applicant may become economically established in Canada, the officer may recommend a “positive substituted evaluation”. Positive substituted evaluation is rarely used, and negative substituted evaluation is almost never used.

Table 2-1 outlines the selection criteria and the number of points allocated to each criteria.

**Table 2-1: Selection factors for IRPA FSWP**

Criteria	Maximum Value	Description
Education	25	Selection points are awarded for the degrees or diplomas and the number of years spent in full-time or full-time equivalent study. The points are awarded based on the standards that exist in the country of study (the <i>Regulations</i> do not provide for comparisons to Canadian educational standards) and are based on the years of study in addition to the degree or diploma.
Language	24	Points are awarded for the ability to listen, speak, read and write in English and/or French based on either language test results, submitted at time of application from an approved organization or institution (IELTS, CELPIP or TEF); or evidence in writing,

<sup>12</sup> This is often referred to as Multiple Mandamus Cases (MMC) within CIC.

		submitted at the time of application, of the applicant's proficiency in one or both official languages. Language tests are not mandatory. A maximum of 16 points are awarded for the proficiency in the 'first' language identified by the applicant and a maximum of 8 points for the second language.
Experience	21	<p>To be eligible for points, the applicant's work experience must:</p> <ul style="list-style-type: none"> <li>• Have occurred during the 10 years immediately preceding the date of application submission;</li> <li>• Be in occupations listed in the National Occupational Classification (NOC) under Skill Type 0 or Skill Level A and B;</li> <li>• Not be in an occupation that has been designated by the Minister as a restricted occupation.</li> </ul> <p>Fifteen points are awarded for at least one 1 year of experience; 17, 19 and 21 points are awarded for at least 2, 3 and 4 and over years of experience respectively.</p>
Age	10	Maximum of 10 points are awarded to an applicant who is at least 21 and less than 50 years of age at the time the application is made. Two points are subtracted for each year the applicant is less than 21 or over the age of 49.
Arranged Employment	10	<p>Points are awarded if the applicant:</p> <ul style="list-style-type: none"> <li>• Has submitted all the necessary documentation including a positive opinion issued by HRSDC.</li> <li>• Is able to perform and is likely to accept and carry out the employment. Officers may take into account the applicant's education and training, background, and prior work experience to determine if the applicant meets this requirement. If they have any concerns about the applicant's ability or likelihood to accept and carry out the employment, they will communicate these to the applicant and provide him/her the opportunity to respond.</li> </ul>
Adaptability	10	Adaptability points are awarded on five dimensions to a maximum of 10 points. The five adaptability factors include spouse's or common-law partner's education (3-5 pts), minimum one year full-time authorized work in Canada (5 pts), minimum 2 years full-time authorized post-secondary study in Canada (5 pts), Arranged Employment in Canada (5 pts), and family relations in Canada (5 points)

## 2.5. Profile of FSWs

In relation to the scope and objectives of the evaluation, the Field Operations Support System (FOSS) analysis focused on a specific subset of the population of FSWs who arrived between 2000 and 2006<sup>13</sup>. Only principal applicants, who were age 18 and older at the time of landing and were not selected by Quebec, were included in the analysis.

The number of FSWs who have landed each year are presented in Table 2-2. IRPA FSWs started arriving in 2002 but most of them arrived after 2003, and dual assessed FSWs started arriving in 2004. As the number of IRPA FSWs increased, the number of those assessed under pre-IRPA declined. The year 2004 is the best comparison year as there is a balanced share of FSWs arriving under each selection regime.

**Table 2-2: FSWs admitted under each selection regime, by landing year**

Cohort	Pre-IRPA	Dual	IRPA	Total
2000	43,990	0	0	<b>43,990</b>
2001	48,195	0	0	<b>48,195</b>
2002	40,928	0	341	<b>41,269</b>
2003	32,279	3	2,910	<b>35,192</b>
2004	18,400	6,063	11,610	<b>36,073</b>
2005	3,954	19,485	17,153	<b>40,592</b>
2006	1,428	11,703	18,918	<b>32,049</b>
<b>Total</b>	<b>189,174</b>	<b>37,254</b>	<b>50,932</b>	<b>277,360</b>
<b>(%)</b>	<b>68.2</b>	<b>13.4</b>	<b>18.4</b>	<b>100.0</b>

Source: FOSS

In response to changes in regulations and selection factors, the **characteristics of FSWs have changed under IRPA and their profile has become more diversified**. Women represented a larger part of the IRPA principal applicant flow, as compared to their pre-IRPA counterparts. While 23% of pre-IRPA principal applicants who came to Canada were women, they represented 30% of the IRPA cases. As for the age distribution, it appeared to be similar for both regimes, with the majority of FSWs being between 30 and 39 years old upon landing.

IRPA principal applicants are also more educated and have a better knowledge of the official languages than those admitted under the previous regime. Under pre-IRPA, 26% had either a Master's degree or a Ph.D., as compared to 46% under IRPA. However, the proportion of cases with university education is slightly lower under IRPA (89% pre-IRPA versus 86% for IRPA). The share of individuals reporting knowing English and/or French was higher for IRPA cases (77% pre-IRPA versus 96% for IRPA). In contrast, 23% of pre-IRPA FSWs self-reported not knowing either French or English upon landing, whereas 4% of IRPA FSWs did not speak either of the official languages.

IRPA FSWs also have a more diversified profile in terms of intended occupation and country of origin. The majority (60%) of pre-IRPA FSWs intended to work in Professional Occupations in Natural and Applied Sciences (NOC 21). The proportion of IRPA FSWs intending to work in

<sup>13</sup> Even though the evaluation timeframe goes from the introduction of IRPA in 2002 to the introduction of the Ministerial Instruction in 2008, the FOSS analysis looks at the period from 2000 to 2006. The reason for choosing these years is to have the same reference period as what was available in the IMDB and to include some observation years prior to the introduction of IRPA. For more details regarding the FSW profile, refer to the Technical Report.

these occupations dropped almost by half, and stood at 33%. Overall, 81% of pre-IRPA FSWs were concentrated in five of the NOC major groups, as opposed to 69% of IRPA cases, indicating a diversification in the occupational profile of IRPA FSWs.

Source country distribution also shifted. China accounted for 28% of the FSWs prior to IRPA, and dropped to 16% of the IRPA flow. When excluding China, the same declining trend was noted for Eastern, South-East and South Asia (35% pre-IRPA and 29% IRPA). Overall, FSWs intending to work in NOC 21 occupations and coming from China represented 24% of the total pre-IRPA flow, while they only represent 7% of the IRPA flow.

As to their province of destination, the majority of pre-IRPA and IRPA FSWs were intending to settle in Ontario (71% pre-IRPA and 63% IRPA). The second province of choice was British Columbia (18% pre-IRPA and 21% IRPA) and the third was Alberta (6% pre-IRPA and 10% IRPA).



### 3. EVALUATION FINDINGS

This chapter summarizes the evaluation findings related to program need and relevance, economic outcomes of FSWs, selection of skilled immigrants, processing of federal skilled worker applications, and unintended impacts of the new selection system under IRPA.

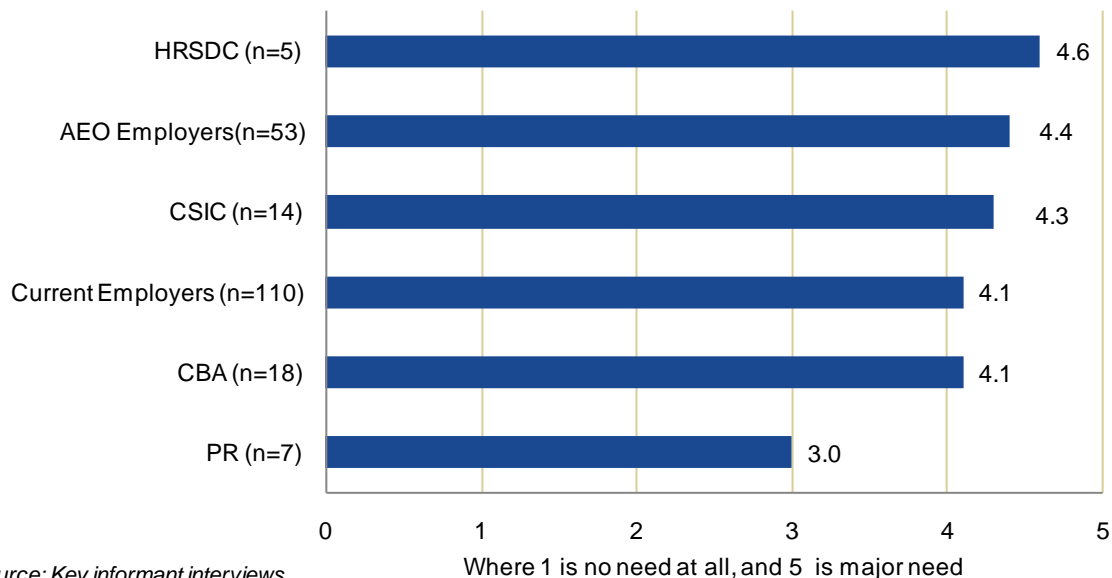
#### 3.1. Program need and relevance

The major findings of the evaluation regarding program need and relevance are as follows:

- A. Stakeholders recognize a strong, continuing need for the FSWP, according to key informant interviews. Although Provincial representatives also see a need for the FSWP, they expressed reservations about its ability to respond to their immediate regional needs.**

When asked to rate the need for the Program on a scale of 1 to 5, where 1 is no need at all, and 5 is major need, average ratings ranged from 3.0 amongst Provincial Representatives to 4.6 amongst HRSDC representatives.

**Figure 3-1: Need for the program**



Interviewees attributed the strong need for the program to the importance of skilled workers for the Canadian economy, the presence of skill shortages resulting from economic growth and increasing rates of retirement associated with the aging population (although economic data would not support this perception). The high perceived need for the Program also reflects its effectiveness in increasing the diversity of the Canadian social and economic fabric and selecting immigrants who will successfully establish in Canada. In addition, the majority (71%) of CIC Managers and Directors, CSIC and CBA participants (75%) and all HRSDC representatives believe that the nature of the need for the Federal Skilled Worker Program has changed over the past few years. Participants said that the program has adapted to the needs of the labour market and that the need for the program had increased.

The primary focus of most provincial representatives who provided input is on addressing the immediate labour market needs in their province. While they see a need for the FSWP, they are less likely to perceive a strong need because:

- Provincial representatives expressed the view that the FSWP has focused primarily on addressing the need for highly skilled workers rather than the need for lower skilled immigrants. While they acknowledge that FSWs with AEOs are linked to immediate needs, the provincial representatives noted that AEOs account for a relatively small percentage of the total number of FSWs. Furthermore, there are many (often lower skilled) occupations for which shortages cannot be addressed through AEOs as they might not meet the selection pass mark or meet the requirements for receiving AEO points. In order to obtain points for an AEO, the job offered needs to be in the 0, A or B categories of the National Occupational Classification (NOC)<sup>14</sup>.
- The FSWP is viewed as being less responsive to changes in immediate needs than the Provincial Nominee Program (PNP). Labour market needs vary over time due to factors such as general economic cycles, rates of growth in particular sectors, and demographics within particular occupations. The FSWP is viewed as being less responsive to such changes than the PNP because of the longer processing times from application to issuance of the permanent visa for FSWs. PNP applicants receive priority processing while FSW applicants do not, with the exception of those with AEOs. The PNP was also perceived as meeting a wider range of labour market needs. When asked to rate how successful the FSWP is in responding to changing needs on a scale of 1 to 5, where 1 is not at all successful and 5 is very successful, the average rating varied from 1.5 among provincial representatives to 3.0 among HRSDC representatives and 3.4 among CIC Managers and Directors.
- Key informants perceived that most FSWs go to major urban centres. As a result, some provincial representatives noted that, from their perspective, the need for the FSWP is not strong because the Program has not been effective in attracting skilled workers to their province and communities.

**B. The FSWP is consistent with departmental and Government-wide priorities, based on the document review and key informant interviews.**

Five of 8 CIC Managers and Directors and all HRSDC representatives view the Program as being consistent with Government priorities. The Program benefits the Canadian labour market and economy, mitigates some of the impacts of demographic changes, and helps to maintain a stable workforce. The Program also contributes to the development of adaptable skills and diversity of the work force and creates opportunities to attract highly skilled and desirable workers to Canada. Provincial representatives noted, however, that the FSWP was less able than the PNP to respond to provincial priorities.

The document review highlighted the importance of immigration policies in general, and the skilled workers program in particular, in building a stronger and more competitive Canada. For example:

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<sup>14</sup> Skill level A of the *National Occupational Classification* refers to occupations that usually require university education. The skill level B refers to occupations that usually require college or vocational education or apprenticeship training. Occupations in the 0 category refer to management occupations.

- *Advantage Canada and the Economic Action Plan* (2006) recognize that, in a modern global economy, Canada's immigration policies need to be closely aligned with labour market needs. As cited in 'Advantage Canada', progress has been made towards creating a more competitive Canada by "Streamlining Canada's immigration system to better respond to the needs of the Canadian labour market".
- The 2008 Federal Government Budget<sup>15</sup> reiterated the need to continue the efforts to maintain Canada's ability "to compete globally for the best and the brightest by creating the optimal conditions to attract immigrants who can contribute fully to Canada's prosperity. A well-managed and efficient immigration system is critical to achieving this objective."
- Other documents such as 'Achieving Excellence: Investing in People, Knowledge and Opportunity'<sup>16</sup> outline the goals and priorities of the Government of Canada for the past decade, one of which includes developing the most skilled and talented labour force in the world by implementing IRPA and associated regulations, and by helping immigrants to achieve their full potential in the Canadian labour market and society.
- The HRSDC *Report on Plans and Priorities* (RPP) and the CIC RPP both highlight the importance of skilled workers in building a stronger and more competitive Canada.

**C. The FSWP and the PNP focus on different labour market needs, although they compete for a share within the existing levels. As such, they complement rather than duplicate each other.**

Key informants, particularly provincial representatives, noted that the PNP and FSWP programs overlap somewhat in their focus on addressing labour market shortages, and are in competition for resources. However, the programs target different types of applicants who fill different labour market needs. The FSWP addresses knowledge-based and longer-term needs for skilled professionals, whereas the PNP tends to focus on shorter-term, occupational and specific labour needs identified by the province. As the PNP has expanded in recent years, the levels for the FSWP have been reduced, to ensure CIC adheres to the annual levels plan.

<sup>15</sup> Reference: <http://www.budget.gc.ca/2008/plan/table-eng.html>

<sup>16</sup> Reference: <http://dsp-psd.pwgsc.gc.ca/Collection/C2-596-2001-1E.pdf>

**Table 3-1: Permanent residents from the economic stream by landing year and category<sup>17</sup>**

Number	2002	2003	2004	2005	2006	2007	2008
FSW	122,730	105,224	113,451	130,238	105,945	97,852	103,736
PNP	2,127	4,418	6,248	8,047	13,336	17,094	22,418
Other economic*	13,006	11,404	14,049	18,027	18,971	16,298	22,918
<b>Total economic</b>	<b>137,863</b>	<b>121,046</b>	<b>133,748</b>	<b>156,312</b>	<b>138,252</b>	<b>131,244</b>	<b>149,072</b>

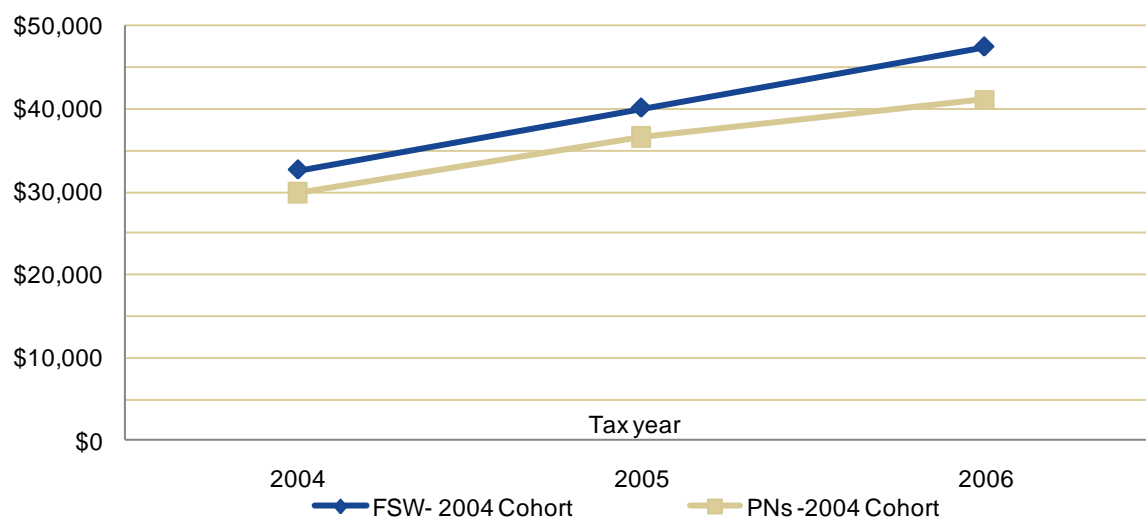
Percentage	2002	2003	2004	2005	2006	2007	2008
FSW	89.0	86.9	84.8	83.3	76.6	74.6	69.6
PNP	1.5	3.6	4.7	5.1	9.6	13.0	15.0
Other economic*	9.4	9.4	10.5	11.5	13.7	12.4	15.4
<b>Total economic</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

\* Other economic include: entrepreneurs, self-employed, investors, and live-in caregivers

Source: CIC Facts and Figures, 2008

Provincial representatives generally provided support for the FSWP, as a program complementing the PNP. However, some respondents noted that due to the low number of FSWs in their province, they could meet their provincial economic needs with PNP exclusively.

The difference in the type of skilled workers and labour market niche they fill can be illustrated by the difference in income between the two groups. According to IMDB data presented in the following chart, the average income of PNs (Provincial Nominees) is below that of FSWs.

**Figure 3-2: Average employment earnings of PNs and FSWs<sup>18</sup> who landed in 2004**

Source: IMDB. Earnings are in constant dollars. Base: 2006

The recently established CEC is designed to facilitate the transition to permanent residence of foreign workers with Canadian experience and international students with Canadian degrees and work experience. Although these programs have similar goals of selecting professionals who are adaptable, mobile and easily able to integrate into the labour force, they have distinctive selection processes.

<sup>17</sup> Numbers presented in this table include principal applicants as well as spouses and dependents.

<sup>18</sup> Principal applicants only.

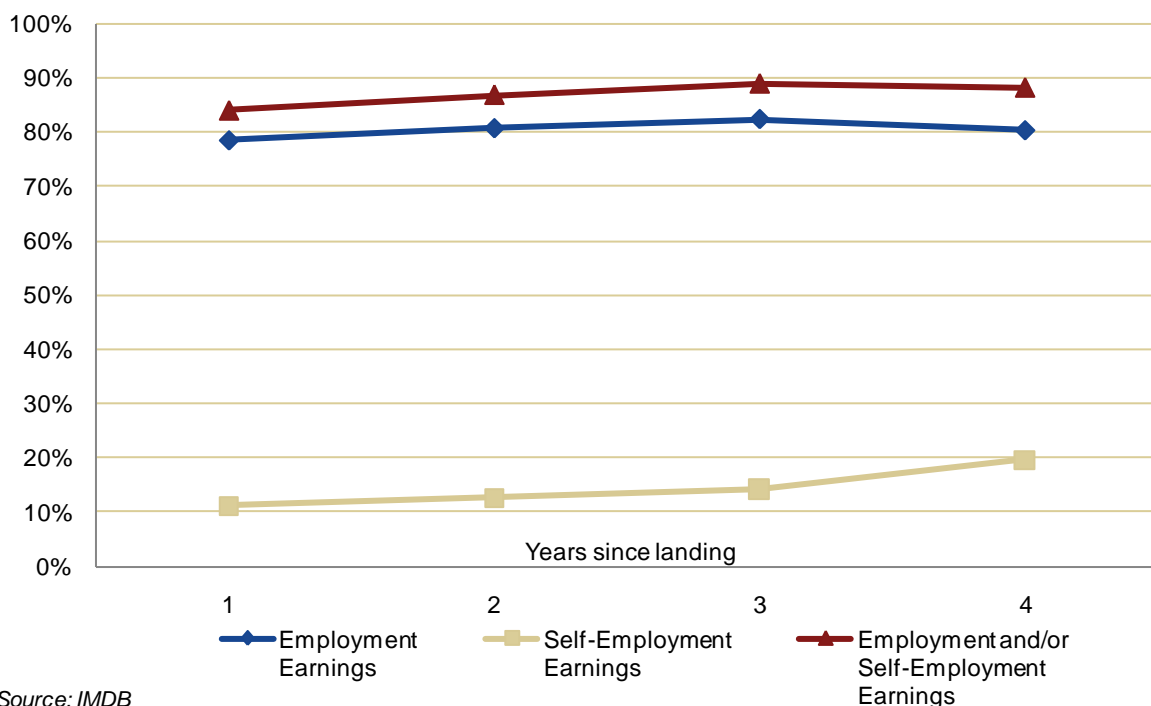
### 3.2. Economic outcomes of federal skilled workers

The major findings regarding economic outcomes of the FSWs arriving under IRPA are as follows:

**A. The findings from the IMDB data analysis indicate that IRPA skilled workers are successful in becoming established economically.**

Of the total IRPA FSWs filing tax returns<sup>19</sup>, the percentage of those who reported employment earnings increased from 79% one year after landing to 82% three years after landing. The percentage of those reporting employment and/or self-employed income increased from 84% one year after landing to 89% three years after landing<sup>20</sup>.

**Figure 3-3: Percentage of FSWS who declared employment or self-employment earnings**



The incidence rate for IRPA FSWs (based on the 2004 cohort) who claim employment insurance ranges from about 3.9% in the first year after landing to just under 6.7% two years after the landing year. The percentage that receive social assistance is around 2.6% in the first year after landing, before declining to 1.6% in the second year<sup>21</sup>.

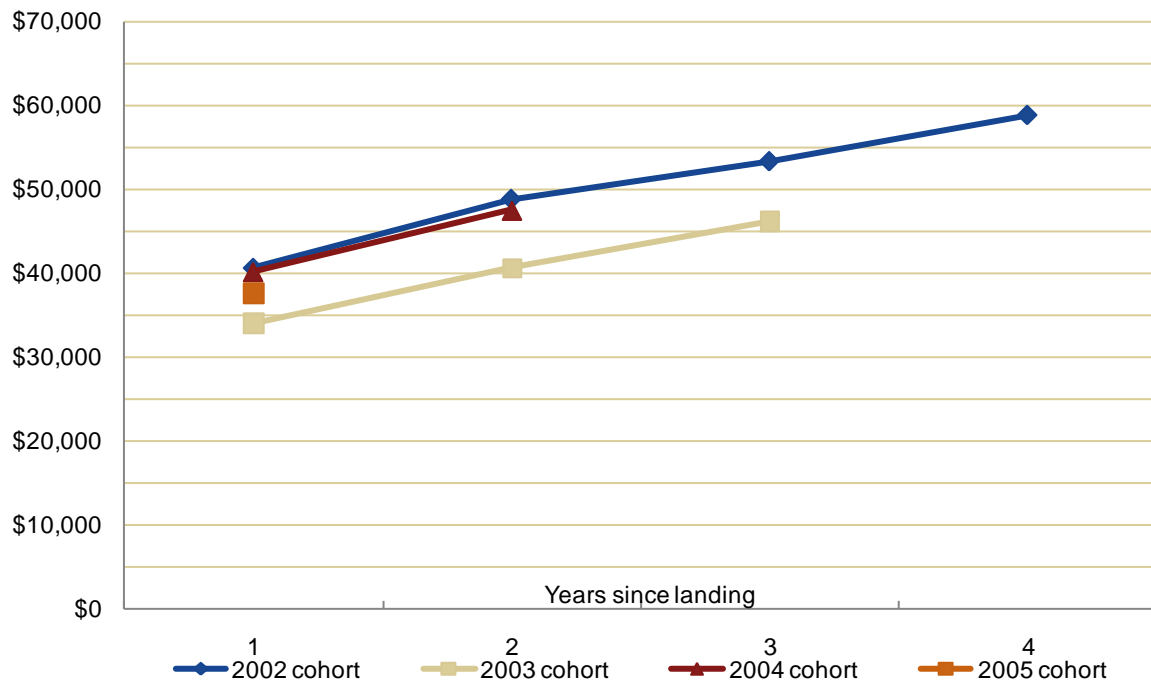
The IMDB data indicates that average employment earnings for IRPA FSWs increases over time. Of those FSWs who landed between 2002 and 2005, average earnings one year after landing ranged from \$34,000 to \$40,600, increasing to \$46,200 to \$53,300 three years after landing.

<sup>19</sup> See Methodology section for more details regarding IMDB analyses.

<sup>20</sup> Data from the landing year is not included as it does not represent the full year of employment. The counts of individuals in year 4 are low and the analysis presented in the following charts should be interpreted with caution.

<sup>21</sup> For more details refer to Table 3-3.

**Figure 3-4: Average employment earnings, IRPA FSWs**



Source: IMDB. Earnings are in constant dollars. Base: 2006

**B. In the survey of FSWs, 95% of those who arrived between 2002 and 2008 indicated that they have been employed in Canada at some point in time. Of those who have been employed, 45% obtained employment within one month of admission as an FSW.**

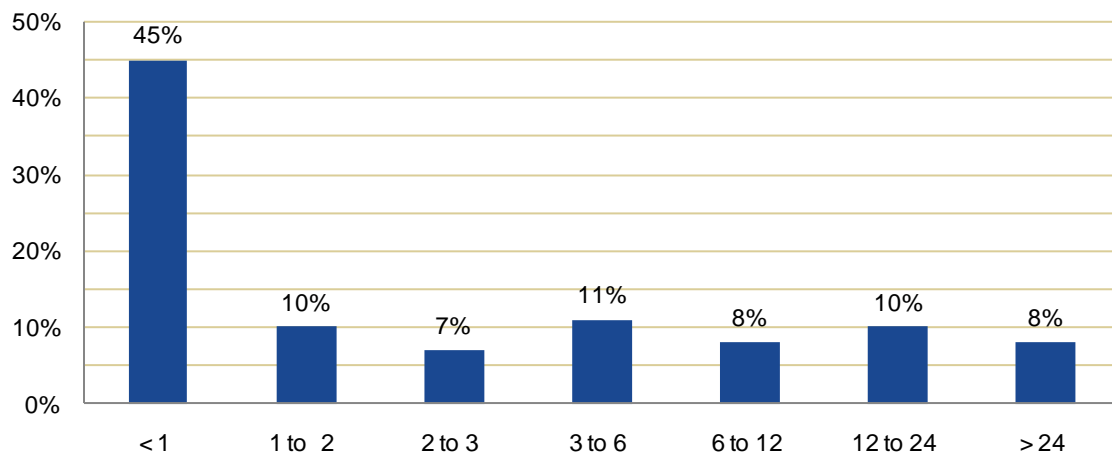
In addition to the IMDB analysis, a survey of FSWs was conducted to better understand the employment history of FSWs. The following section is based on survey findings. Even though they are complementary, some results from the FSW survey are slightly different than those obtained from the IMDB. Survey results should also be interpreted with caution as the characteristics of FSWs surveyed differ from the ones of the FSW population (the percentage with an English mother tongue and the share from the United Kingdom are both higher in the survey than in the population, while the shares from China and India are lower in the survey). For more details about the profile of FSWs who were surveyed, refer to Appendix A.

Of the 1,499 FSWs who were interviewed, 94.6% have been employed in Canada, including 99.2% of those with an AEO<sup>22</sup>. In the survey, date information was obtained on the beginning and end months for up to 4 jobs which have been held by FSWs in Canada, including their current job. Based on the information obtained from FSWs surveyed about their admission and employment dates, the percentage of those who are employed during any given month after admission was calculated. According to the date information available<sup>23</sup>, 45% of the FSWs obtained employment within one month of admission as a FSW.

<sup>22</sup> Of the 1499 FSWs surveyed 359 indicated that they had an arranged employment.

<sup>23</sup> Date data was available for 1,471 FSWs (including the 81 FSWs who have not obtained employment but excluding 28 who have worked but for whom there were missing dates in their employment data).

**Figure 3-5: Access to first job**

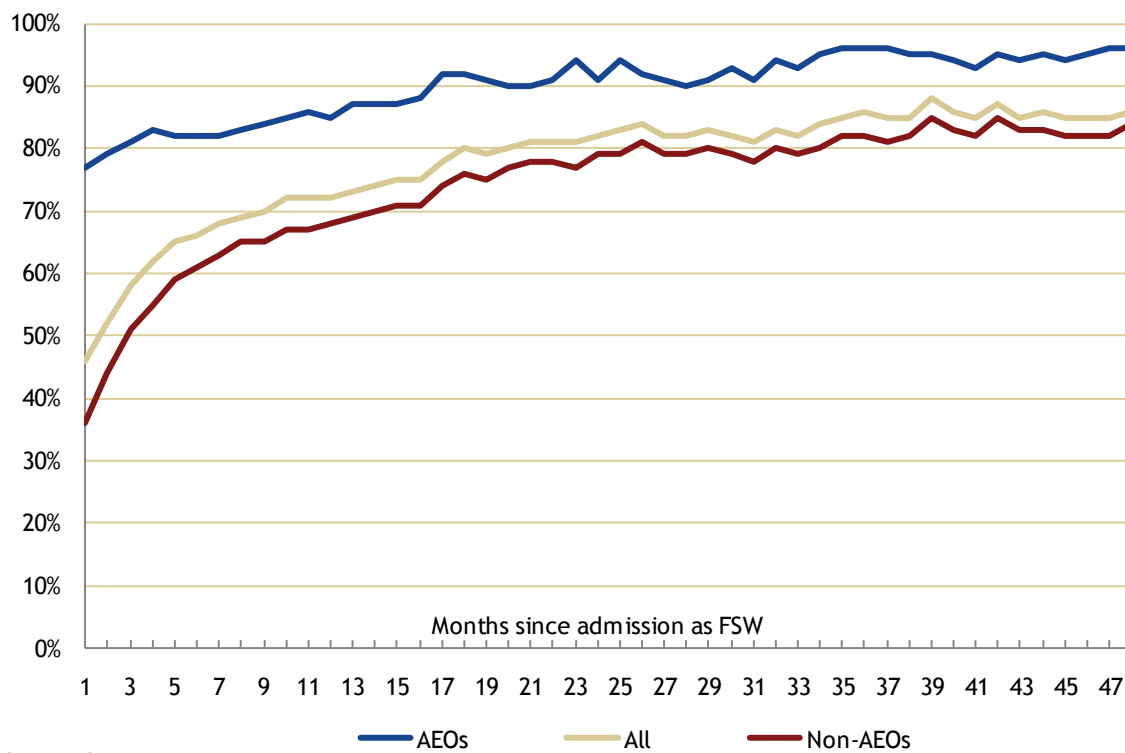


Source: Survey data

The 1,499 FSWs have resided in Canada with a Permanent Resident Visa for an average of 34 months during which they have held an average of 1.8 jobs. Within this group, those with an AEO have resided in Canada as an FSW for an average of 33 months during which they have held an average of 1.5 jobs.

The survey data also indicates that about 77% of AEOs are employed within the first month after admission. The rate of employment gradually increases over the number of months that an FSW is in Canada.

**Figure 3-6: FSWs employed at any time since arrival**

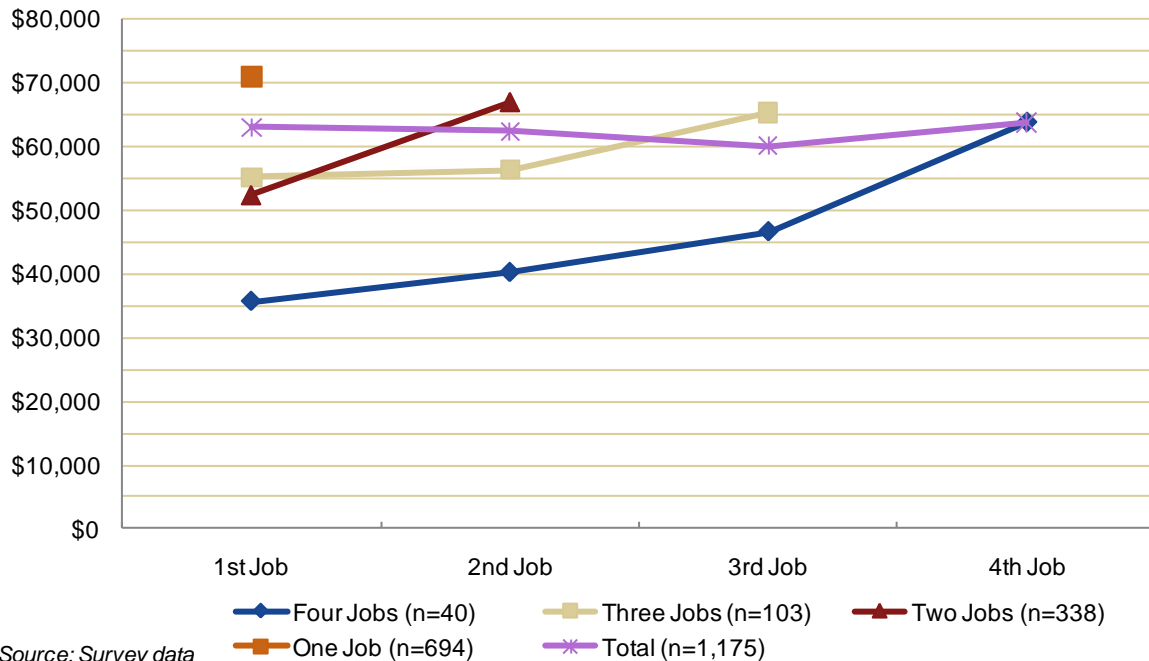


Source: Survey data



Of the FSWs who were surveyed, 1,175 have held one or more full-time jobs. Of those, 694 have held one full-time job, 338 have held two full-time jobs, 103 have held three full-time jobs and 40 reported holding four full-time jobs. The annualized earnings associated with these positions was compared. The results indicated that average earnings tend to increase from job to job, suggesting that one of the reasons for moving to a new position is monetary. Those FSWs who have held only one full-time job reported the highest average annualized earnings (it should be noted that workers reported on their current earnings or earnings when leaving the position, which may have increased over time).

**Figure 3-7: Average full time earnings of FSWS with multiple jobs**



About 39% of FSWs left their first job voluntarily, 14% left involuntarily and about 47% still work in their first job. Most of the FSWs who have been employed reported that their first job in Canada was a full-time position (78%) in a small organization with less than 100 employees (64%). The most common occupations for the first job held in Canada were in the professional/scientific/technical fields or in the health care/social assistance services fields (24%).

Of the 85% of FSWs surveyed who were employed at the time of the interview (summer 2009), 81% were employed full time and in positions most commonly related to professional/scientific and technical services (15%); health care and social assistance services (14%); finance, insurance, real estate and leasing services (12%), and education services (11%). Earnings for their current full-time jobs averaged \$64,000, while the average income for part-time positions was \$23,106. Most of the FSWs believe that their current job suits their field of studies (76%) and education (72%), and provides the income they expected (63%). About 37% said their current job exceeds the expectations they had prior to coming to Canada, 36% said it was consistent with those expectations and 22% said it did not meet

their expectations<sup>24</sup>. Reasons commonly provided by FSWs who said their current jobs did not meet their expectations include: job was not in their desired occupation, foreign education and experience were not recognized, income was less than expected, cultural differences resulted in difficulty adjusting to the new work environment, language barriers, and unfamiliarity with organizational structure and culture.

The strategies most commonly implemented to obtain employment included reviewing job listings in newspapers, internet or other media (56.6%) and making direct contact with employers (28.6%). About one-third (31.3%) of the FSWs said that finding an appropriate job in Canada was very difficult, while 18.9% said it was not at all difficult. About 10% of FSWs who had AEO but were not employed in arranged employment positions at the time of the interview said it was very difficult to find an appropriate job. Some common factors that made it difficult to find a job include a lack of Canadian work experience and credentials, a lack of social network and business connections, the recent economic downturn/recession, cultural barriers and differences in workplace cultures, the competitive job market; and the low availability of jobs in particular fields.

About 15% of respondents were unemployed at the time of the survey. Among this group, 72% were ready to work, while 29% were continuing their education. Unemployment was attributed to a lack of relevant work experience and recognition of foreign credentials, a lack of connections, strong competition for jobs, and the economic slowdown. In the absence of employment earnings, the most common source of funding for living expenses (identified by 40% of unemployed respondents) was their personal savings.

**C. Federal Skilled Workers meet the needs of employers who generally had difficulties filling the position for which the FSW was hired. Employers are satisfied with the performance of FSWs, and believe that hiring FSWs is beneficial for their organizations.**

Employers indicated that it had been either difficult or very difficult to fill the position for which the FSW was hired (63%). Factors commonly identified as making it difficult to fill these positions include:

- Lack of experience and specific skill sets;
- Shortage of qualified workers in a particular niche;
- Lack of educational and/or certification requirements for the position; and
- Difficulties in finding individuals who fit the job profile.

Employers reported strong satisfaction with FSWs<sup>25</sup>. About 86% of employers said they were satisfied or very satisfied with hiring a person who came to Canada as a skilled worker and about 95% said that the FSWs job performance met or exceeded their expectations. Some of the perceived benefits of having skilled immigrants in the workplace included increased diversity, particularly of knowledge and ideas (45%), and the introduction of new work styles with improved performance (40%). While most (78%) employers said that the FSWs faced no significant issues in the workplace, about 13% reported issues related to language.

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<sup>24</sup> The survey results have to be interpreted with caution. Given the self-selected nature of the survey, there might be potential non response error in the survey.

<sup>25</sup> Results from the survey of employers should be interpreted with caution given that the sample of employers was developed based on referrals from FSWs. FSWs may be more likely to provide reference for employers with whom they have a positive relationship.

### 3.3. IRPA, a new approach to the selection of FSWs

With the introduction of the IRPA, the selection system for skilled workers was changed to respond to the dynamic labour market associated with today's knowledge-based, global economy. Based on an objective and transparent points system, the new FSWP was intended to be more effective at selecting immigrants who will succeed economically. The previous selection system model had an "occupational demand" component whereby a skilled worker's intended occupation in Canada was a criterion for admission to this class. However, it also contained selection factors that addressed the human capital of applicants. Under IRPA a broader approach to selection was implemented, whereby selection factors indicate an applicant's ability to adapt as the labour market changes. The new system placed more emphasis on the "human capital" model by putting more weight on the human capital selection criteria.

The major findings regarding the new approach to the selection of FSWs are as follows:

**A. The revised design of the Program under IRPA, including the shift to placing more emphasis on the human capital selection criteria, was guided by research, analysis comparing economic outcomes with the characteristics of FSWs, and input from experts in the field.**

The new selection approach for FSWs under IRPA was based on research evidence presented in two major papers titled '*Not Just Numbers: A Canadian Framework for Future Immigration (1997)*' and '*Towards a New Model of Selection. Current Selection Criteria: Indicators of Successful Establishment*' (1998). In consultation with policy makers and the Canadian public, a group of consultants developed a new framework for immigration programs outlined in '*Not Just Numbers: A Canadian Framework for Future Immigration*'. This legislative review proposed a new model for economic immigration, emphasizing the growth of knowledge industries and the need for self-supporting immigrants. The framework recommended the following changes to the selection criteria:

- Education: "In recognition of the fact that the labour market is constantly evolving and that it is impossible to predict with certainty the exact skill sets required at any point in time, general education is a better indicator of long-term flexibility than specific skills".
- Official Language Ability: "The core standard for official language ability should be proficiency in at least one of the two official languages. Immigrants should be able to enter the labour market upon arrival with minimal upgrading". The need for official language ability to be demonstrated through an internationally accepted language test was emphasized in the following: "Given the importance of this requirement, the decision should not be based on a subjective assessment by the visa officer who may not even have the opportunity to interview the applicant".
- Economic ties to Canada: recognizing the links between previous schooling or work experience in Canada and eventual economic outcomes.
- Self-sufficiency: having access to the funds needed to settle successfully in Canada.

Other research or documentation that played a part in the development of the new FSWs selection approach included research which highlighted issues such as the importance of language in labour market assimilation, the effects of age and Canadian credentials on successful integration. The design of the new selection model and the allocation of points was supported by an analysis of the IMDB that assessed the economic outcomes for federal skilled workers and the effectiveness of the selection criteria.

The report *'Towards a New Model of Selection - Current Selection Criteria: Indicators of Successful Establishment'*, outlines the key findings of the analysis regarding the effectiveness of the selection criteria, including<sup>26</sup>:

- Education, the main element of human capital, is a key indicator of labour market success;
- Experience did not provide a clear signal of success;
- Language proficiency showed a clear and long lasting relationship to income and employment prospects;
- Arranged employment was a solid factor in successful establishment; and
- The Assisted Relative Bonus increased the acceptance of marginal candidates, ones with weaker core attributes.

The majority (5 of 8) of CIC Managers and Directors interviewed said that they were not involved in the program when the shift was made towards the new selection model. Those Managers and Directors as well as CVOA staff who were more extensively involved in redesigning the Program said that the changes were evidence based and guided by research regarding the importance of language, age and Canadian credentials in the successful integration of immigrants. Analysis of changes in intake, processing times, acceptance and refusal rates, and backlogs were included in the development and amendment of the policy.

#### **B. Analysis of IMDB data demonstrates that IRPA FSWs outperform pre-IRPA FSWs economically, and significantly outperform dual assessment FSWs.**

The taxation data indicates that employment earnings of IRPA FSWs are significantly higher than those of pre-IRPA FSWs. It is difficult to directly compare IRPA and pre-IRPA FSWs on a comparable year basis (in order to control for differences in economic and labour market conditions at the time of arrival) as the volumes for IRPA were low early after the introduction of the new regulations and that the pre-IRPA volumes are declining after 2002<sup>27</sup>. The 2004 cohort can be used for comparison purpose since there were sufficient FSWs for each regime. For that cohort, average employment earnings for the IRPA FSWs increased from \$40,100 in the first year after landing to \$47,500 a year later, while average employment earnings for the pre-IRPA FSWs increased from \$24,300 in the first year after landing year to \$31,300 a year later. Dual assessment FSWs started arriving in 2004, and their average employment earning increased from \$21,400 in 2005 to \$28,800 in the 2006.

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<sup>26</sup> For the full list of findings see *'Towards a New Model of Selection. Current Selection Criteria: Indicators of Successful Establishment'* Economic Policy and Programs Division, Selection Branch, Citizenship and Immigration Canada (1998).

<sup>27</sup> Most FSWs who immigrated during the earlier years (e.g. 2002 and 2003) are pre-IRPA FSWs while most FSWs who immigrated during the later years (e.g. 2005 and 2006) are IRPA FSWs.

**Table 3-2: Employment earnings of pre-IRPA, dual, and IRPS FSWs who landed between 2002 – 2005**

Selection Regime	Cohort	Taxation years			
		2003	2004	2005	2006
Pre-IRPA	2002	25,700 \$	31,500 \$	36,300 \$	41,600 \$
	2003		24,300 \$	30,600 \$	36,500 \$
	2004			24,300 \$	31,300 \$
	2005				21,600 \$
Dual	2004			21,400 \$	28,800 \$
	2005				23,100 \$
IRPA	2002	40,600 \$	48,800 \$	53,300 \$	58,800 \$
	2003		34,000 \$	40,600 \$	46,200 \$
	2004			40,100 \$	47,500 \$
	2005				37,600 \$

Source: IMDB. Earnings are in constant dollars. Base: 2006.

Regression analysis of the IMDB data shows that the selection regime significantly affects the level of earnings of FSWs. IRPA FSWs earn significantly more than their pre-IRPA counterparts. Analysis without gender distinctions shows that IRPA cases make about \$10,000 to \$17,000 more than pre-IRPA FSWs admitted during the same period, depending on the cohort and tax year considered. Interactions between selection regime and gender show that the advantage of IRPA cases is greater for men than for women admitted under this selection regime. Full regression results are presented in the tables Appendix D-1 and Appendix D-2.

The incidence of employment insurance and social assistance benefits is also lower for IRPA FSWs than for pre-IRPA FSWs. Table 3-3 summarizes the percentage of FSWs from the 2004 cohort who reported employment insurance or social assistance on their income tax returns for 2004, 2005 and 2006.

**Table 3-3: Percentage of FSWs landed in 2004 who reported employment earnings, employment insurance and social assistance receipts**

Taxation year		2004	2005	2006
Employment earnings	Pre-IRPA	60.99%	74.07%	74.74%
	IRPA	66.60%	79.99%	80.78%
Employment insurance	Pre-IRPA	0.62%	6.78%	10.43%
	IRPA	1.06%	3.93%	6.66%
Social assistance	Pre-IRPA	2.98%	4.52%	3.35%
	IRPA	1.20%	2.57%	1.57%

Source: IMDB

### 3.4. Arranged employment offers

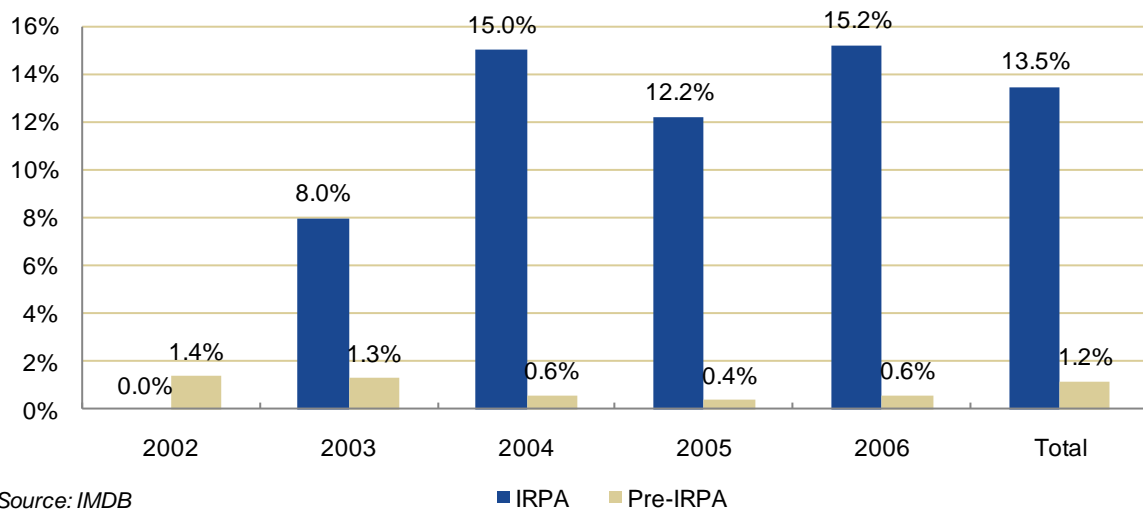
Employers can make a permanent employment offer to a foreign national in a skilled occupation and then request an Arranged Employment Opinion from HRSDC. The wages and working conditions offered for the job have to be comparable to those offered to Canadians working in the occupation. However, there is no requirement to demonstrate that there are no Canadians available to fill the position. Under IRPA, HRSDC is mandated to assess offers of employment made by employers interested in hiring a skilled worker. Applicants with a positive arranged employment opinion issued by HRSDC are then assessed against the FSW selection criteria by a

visa officer in a CVOA. The AEO, if accepted by the visa officer, entitles the applicant to an additional 15 points<sup>28</sup> towards the threshold of 67 points. The major findings of the evaluation regarding AEOs are as follows:

**A. Federal Skilled Workers who have arranged employment significantly outperform those who did not have an AEO, based on economic indicators.**

Of the IRPA FSWs present in the IMDB, 13.5% had received points for an arranged employment offer, compared to 1.4% for the pre-IRPA FSWs<sup>29</sup>.

**Figure 3-8: PRE- IRPA and IRPA FSWs with AEO**

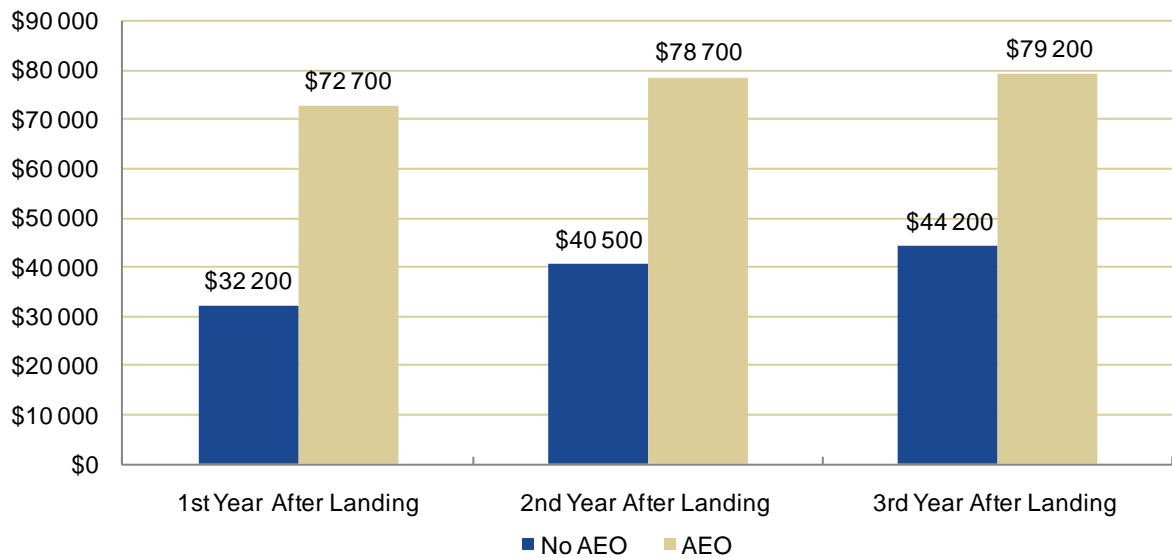


IMDB data shows that average employment earnings for FSWs with an AEO are significantly higher than the earnings of those without one. As indicated in chart below, the average employment earnings of FSWs who received points for an AEO increases from \$72,700 in the year after landing to \$79,200 three years after landing, while the average employment earnings of FSWs who did not receive points for an AEO increases from \$32,200 in the year after landing to \$44,200 three years after landing.

<sup>28</sup> IRPA applicants can earn a total of 15 points if they had an arranged employment offer in Canada (10 points for the arranged employment offer and an additional 5 points can be obtained under the adaptability factor).

<sup>29</sup> In the IMDB, 4,305 of the 31,935 IRPA FSWs obtained points for an AEO.

**Figure 3-9: Employment earnings of AEO FSWs and other FSWs**



Source: IMDB. Earnings are in constant dollars. Base: 2006.

The survey also found that the FSWs who came to Canada with an AEO reported significantly higher earnings than other FSWs, were more likely to still be with their first employer, and were more likely to be employed full-time. The survey findings of the FSWs with an AEO are as follows:

- 81% of those with an AEO are employed full-time;
- Those working full-time are earning an average of \$99,000 annually<sup>30</sup>, which is significantly more than full time employed FSWs surveyed who are not in arranged employment positions<sup>31</sup>;
- 90% of AEO FSWs report working in their arranged job position after arriving to Canada. The main reasons mentioned by 10% of those who did not start working in their arranged jobs were that the job was no longer available or they found a better position.
- 69% of the FSWs with AEOs are still employed with the same organization. Of those who left their positions, 73% did so voluntarily to start another job or to continue their studies.

**B. Employers who have prepared arranged employment offers are very satisfied with the FSWs they hired and are supportive of the program.**

Of the employers participating in the survey who have hired AEO FSWs, most have been involved in multiple AEO applications and are very satisfied with the FSWs who were hired and with the program overall. As noted previously, the interview sample was developed

<sup>30</sup> Note that earnings reported in the survey for FSWs who have an AEO are higher than the earnings that were found for FSWs with an AEO from analyzing the IMDB data. Survey results indicate that the two most common positions for which an offer was made were Management/ CEO/ Director/ President and Assistant/ Associate Professor.

<sup>31</sup> Only full time earnings are reported because 97% of FSWs with AEO who did report annual earnings are employed full time, and not everybody worked the full year.



based on referrals from FSWs, and therefore may be biased towards employers with whom the FSWs have a positive relationship.

Major findings from the survey of employers involved in AEOs are as follows:

- 74% of the employers have been involved in hiring more than one AEO client.
- 89% are interested in using the AEO process to hire another FSW (only 4% were not).
- 83% are satisfied or very satisfied with the performance of the FSW. Those who were less satisfied indicated that the FSW had some difficulty communicating in the workplace or lacked experience relevant to the occupation in Canada.
- Almost one-half (49%) of employers indicated that HRSDC contacted them to discuss the arranged employment offer.
- The AEO employers were satisfied with the HRSDC process, noting that the communication with HRSDC was appropriate (80%), the application process was completed in a timely manner (72%), the related information was accurate and useful (78%), it was easy to have information to complete the application (70%), and the process and procedures were clear and understandable (66%).
- The two most common positions for which an offer was made were Management/ CEO/ Director/ President and Assistant/ Associate Professor.
- Most of the AEO employers interviewed are located in Ontario (45%) and Alberta (30%).
- 77% of AEO employers said that it was very difficult or somewhat difficult to fill the position which was occupied by the FSW due to the complexity of the work, the skills/specialization necessary and the limited supply of people with these types of skills in Canada.

Key informants believe that FSWs with an AEO are meeting the needs of particular employers, but the relatively small number of skilled workers with an AEO limits its overall impact in meeting the needs of the Canadian labour market. When asked to rate the extent to which FSWs meet the needs of the Canadian labour market, HRSDC and Provincial representatives provided ratings of 3.5, and 3.0 respectively, on a scale of 1 to 5, where 1 is not at all and 5 is very significantly.

### **C. CVOA staff are much less supportive of using AEOs as they currently exist because of concerns regarding the authenticity of arranged employment offers.**

AEOs tend to be perceived very negatively by all levels of staff across the large visa offices visited. In interviews and focus groups, staff and managers expressed concern and frustration over the due diligence required to assess the validity of the job offers and the legitimacy of the employers.

Initial processing and assessment of arranged employment offers is administered through an HRSDC Centre of Specialization located in Saint John, New Brunswick. HRSDC officers provide an opinion regarding an offer of employment on an indeterminate basis to a prospective skilled worker. In forming the opinion, the officers assess whether:

- The offer of employment is genuine;
- The employment represents full-time, non-seasonal employment; and
- The wages offered to the skilled worker are consistent with the prevailing wage rate for the occupation and the working conditions meet generally accepted Canadian standards.

In reviewing the genuineness of the job offer, HRSDC officers examine the consistency of the predominant duties defined for the position with the duties outlined in the NOC, whether mandatory licensing/certifications are identified, and whether the employment offer is consistent with the needs of the company given its business activities, size and operations. In addition, HRSDC officers assess employer-related factors such as business location, the active engagement of the employer in business activities, whether at least one full-time employee has been working for the employer for a minimum of one year, and whether it is reasonable to expect that the employer will fulfill the terms of employment (e.g. the company's ability to indeterminately support the salary offered to skilled workers)<sup>32</sup>.

If HRSDC officers provide a positive opinion on the offer of employment, it is forwarded to CIC visa offices where the applicant is assessed against the selection criteria including whether or not to allocate the 15 points for the AEO. In doing so, visa officers may review whether the applicant will be able to fulfil the duties described in the job offer and may conduct final verifications of employers which, in many cases, is difficult to do from abroad. The missions employ different strategies to verify the job offer. For example, the Hong Kong office typically requests a number of documents from employers such as tax return assessments, banking information, financial statement information, etc. Other strategies used include calling employers in Canada and asking them specific questions about the job duties, or conducting further investigation by checking their business registration and company website.

The case studies showed that the quality of applications with AEOs varies across the missions. For example, the Buffalo office reports that most AEOs are approved and points awarded (about 90%), while the New Delhi office estimated an acceptance rate of about 30%. New Delhi officers have been compiling information on small businesses that have made multiple job offers.

Examples of fraudulent AEO applications include job offers from non-existent employers, fictitious positions incompatible with the type of business or business operations, offers of convenience from friends or family members, and genuine offers with inflated job descriptions. There is also a concern in CVOAs that AEOs can be purchased and that clients are being lured to pay large fees to consultants for job offers that they believe await them in Canada. Fraud is generally hard to prove, and AEO fraud-related refusals cannot be extracted from the administrative systems. Some visa offices are conducting independent investigations in an effort to demonstrate the lack of integrity and level of fraud associated with AEOs.

In the interviews, CVOA staff (particularly those from Hong Kong and New Delhi) indicated that applicants often use AEOs to compensate for not receiving sufficient points under the language or education criteria (or more recently, as a means to by-pass Ministerial Instructions and the list of 38 occupations; the percentage of FSWs with AEOs has increased significantly since the introduction of Ministerial Instructions in 2008<sup>33</sup>).

Visa officers in Hong Kong believe that the increase in AEO applications under IRPA has at least to some extent impacted the drop in the approval rates in recent years. For example, as outlined in Table 3-4, the Hong Kong office has seen a significant increase in AEO applications, most notably in the last few years, and a significant drop in approval rates (from over 90% at the time of IRPA implementation to just over 40% in 2007, and to only 24% in

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<sup>32</sup> For more information visit [http://www.hrsdc.gc.ca/eng/workplaceskills/foreign\\_workers/aehrdcassess.shtml](http://www.hrsdc.gc.ca/eng/workplaceskills/foreign_workers/aehrdcassess.shtml)

<sup>33</sup> Ministerial Instructions were implemented in 2008 and are outside the scope of this evaluation.

2008 - likely due to the introduction of Ministerial Instructions). In the view of the visa office staff, this trend might have been, at least in part, the result of applicants abusing AEO in the desire to compensate for lower scores on other criteria (e.g. English language skills) or to get a priority assessment.

**Table 3-4: AEO intake in Hong Kong**

Number of AEO Applications Received in Hong Kong							
Year	2002	2003	2004	2005	2006	2007	2008*
Number of AEOs	2	15	33	43	78	121	400

\*Ministerial Instructions were implemented in 2008 and are outside the scope of this evaluation.

Source: Case study data

Visa Officers note that it may take longer to process a refusal than an acceptance, and this is particularly problematic with AEOs. Additional steps can be taken to investigate suspected fraud and, as noted above, additional documentation may be requested. Concerns often center on the authenticity of the job offer; follow-up with employers in Canada is hindered by time differences. If the visa officer intends to refuse the AEO, he/she must send a letter of concern to the applicant stating the concerns, and provide the applicant with the opportunity to respond. Processing AEOs is generally viewed as highly inefficient and time-consuming, with insufficient support within Canada to address fraud in the process.

### 3.5. The mobility of FSWs

- A. IMDB data shows that only a small percentage of FSWs stop filing tax returns for two consecutive years, indicating their outmigration. Findings of the FSW survey indicate that most FSWs have not resided outside of Canada since landing and are unlikely to leave Canada in the next few years. Concern was raised in Missions regarding FSWs who receive permanent resident status, but do not intend to live and work in Canada.**

Past CIC research on the IMDB indicates fairly consistent patterns of outmigration across cohorts, with outmigration generally increasing in the early years after landing and stabilizing afterwards. However, patterns were found to vary by country of last permanent residence. The highest outmigration rates were found in western countries (USA, northern Europe and Oceania). Immigrants from the United States and the United Kingdom experienced their highest outmigration rate one to two years after landing, while immigrants from countries like China and Hong Kong were more likely to experience outmigration 4 to 5 years after landing.

Applying the same methodology to FSW immigrants, IMDB research shows that from 2000 to 2004<sup>34</sup> a limited proportion, about 6.5%, of pre-IRPA FSWs stopped filing tax returns for at least two consecutive years without reappearing in the database, which could indicate that they left Canada<sup>35</sup>. The percentage is smaller for IRPA cases (2.7%); however, this could be

<sup>34</sup> Cohorts 2005 and 2006 and tax filers that appear for the first time in these two years are excluded from the analysis as immigrants must disappear for at least 2 years to be considered as returned migrants.

<sup>35</sup> To obtain estimates of outmigration (or onward migration), the deaths (reported and estimated) were eliminated from the disappearances as well as others who have obvious reasons for not filing during a two year period and beyond.

due to IRPA cohorts 2002 to 2004 residing in Canada for a shorter period of time compared to pre-IRPA cohorts 2000 to 2004. These findings are consistent with previous CIC research findings that looked at all migrants for the same length of residence in the country. Table 3-5 represents the number and percentages of FSWs believed to have left Canada.

**Table 3-5: Outmigration of Pre-IRPA, Dual and IRPA FSWs as of tax year 2006<sup>36</sup>**

Outmigration	Pre-IRPA	Dual Assessed	IRPA
Still in Canada	142,280 93.50%	5,095 98.74%	10,355 97.32%
Left Canada	9,895 6.50%	65 1.26%	285 2.68%
<b>Total</b>	<b>152,176</b>	<b>5,161</b>	<b>10,641</b>

Source: IMDB

The analysis indicates that about 10% of the 1,499 FSWs participating in the survey have resided outside of Canada for more than 3 months since landing, and 12% have considered permanently moving from Canada. The primary reasons for leaving Canada are to pursue better job prospects or employment elsewhere, to look after an existing business, to move closer to relatives or friends, to pursue education, or for quality of life. Of the FSWs interviewed, 93% estimated that they will remain in Canada for the next three years.

Staff in visa offices raised concerns regarding permanent residents who do not intend to reside or work in Canada. Some FSWs, often with the help of consultants, maintain a “fictional life” in Canada in order to meet citizenship requirements without residing or working there. The belief is that these FSWs move their families to Canada, often to send their children to Canadian universities, and with the intent to later retire in Canada. The concern around this movement of FSWs was raised in the missions visited, particularly in London, where visa officers, in collaboration with an anti-fraud officer based in Abu-Dhabi, are collecting data on the Gulf FSWs reapplying for a Permanent Resident Temporary Document (PRTD). These could be FSWs who landed in Canada and received a permanent resident card that expired after they returned to the Gulf. Information on FSWs who have become permanent residents but have never resided or worked in Canada is difficult to

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*Deaths* (along with the date of death) can be reported in a final tax return. However, this definition of death is insufficient, and estimated deaths were also eliminated from the disappearances. Death was estimated as being a reason not to file an income tax return if a person is the only member of their arrival group to disappear, they are not a woman of child-bearing age, and younger than 65 years of age (of working age). Other people might not file an income tax form for various reasons, including: women of child-bearing age, if they are the only member of their arrival group to disappear and people over the age of 65 if they are the only member of their arrival group to disappear and if they landed in Canada after they turned 55 and subsequently disappear in a 10 year window (as they are not eligible for public pension). Therefore, outmigration equals to the disappearances minus the reported and estimated deaths and people who do not file an income tax return. Outmigration can be defined as the reported emigration plus the estimated emigration and the other emigration.

Reported emigration includes both those who declare they have left the country on the final tax form they submit and those who disappear for two years and at least one of the members of their arrival group declared that they have emigrated. Estimated emigration happens when an entire arrival group disappears within a window of two years without reporting it, or if a person fills out a tax form from outside the country and then subsequently disappears. The other emigration is the remainder of the observations. This methodology is consistent with what others have used when analyzing the Canadian census, such as Victor Chen (2009).

<sup>36</sup> Because of the small number of observations and the short period of observation, survival tables or analysis based on years since landing could not be done

collect as there are no exit controls at the border. These clients may appear in the IMDB, but family income would be likely underreported as minimal income is reported for income tax purposes.

Not all interviewees believed this practice to be unethical. One lawyer, who represents a number of these clients from the Gulf, and a minority of visa officers, believed that this practice reflects the global economy and the increasing mobility of labour.

**B. The IMDB shows that pre-IRPA and IRPA FSWs have similar mobility patterns within Canada. They are most likely to move from Saskatchewan and Atlantic Canada and to remain in Ontario, Alberta and British Columbia. In the survey, FSWs who moved to another province after initial settlement did so mostly for employment opportunities.**

The destination of FSWs across provinces is uneven, with roughly 60% of IRPA FSWs intending to settle in Ontario, 20% in British Columbia and 10% in Alberta, and much smaller shares intending to settle in Saskatchewan, Manitoba and in the Atlantic provinces.

**Table 3-6: Interprovincial movement (%) of pre-IRPA, Dual and IRPA FSWs who arrived in Canada between 2002 and 2005**

Selection Regime	Cohort	Taxation years			
		2003	2004	2005	2006
Pre-IRPA	2002	16.17	18.00	19.78	21.30
	2003		11.07	13.92	16.54
	2004			9.67	13.55
	2005				10.45
Dual	2004			7.55	11.06
	2005				8.95
IRPA	2002	7.84	11.54	11.76	13.73
	2003		9.81	12.61	15.19
	2004			7.72	10.94
	2005				9.26

Source: IMDB.

**Table 3-7: Summary statistics of interprovincial migration for pre-IRPA and IRPA in 2006**

Interprovincial migration		Atlantic	QC*	ON	MB	SK	AB	BC
Intended destination	Pre-IRPA	1,120	3,690	99,640	1,265	640	9,485	24,395
	IRPA	715	835	18,775	380	380	3,440	6,235
Out-Migration	Pre-IRPA	590	965	14,885	635	370	2,045	6,330
	IRPA	155	145	1,455	80	90	235	525
In-Migration	Pre-IRPA	720	5,350	6,480	585	340	6,385	5,945
	IRPA	105	595	595	65	50	785	510
Net change (%)	Pre-IRPA	11.6	118.8	-8.4	-4.0	-4.7	45.8	-1.6
	IRPA	-7.0	53.9	-4.6	-4.0	-10.5	16.0	-0.2
Retention rate	Pre-IRPA	47.3	73.9	85.1	50.2	41.7	78.5	74.1
	IRPA	78.3	82.5	92.3	79.0	76.0	93.2	91.6

\*Even though Quebec Skilled Workers (QSWs) have been excluded from the analysis, FSWs can still go to Quebec.

Source: IMDB.

FSWs arriving under IRPA generally have inter-provincial mobility patterns similar to pre-IRPA FSWs. The biggest differences are seen in the 2002 cohort, as the very first IRPA cases were arriving in Canada. The previous table presents the movement of the pre-IRPA and IRPA FSWs who arrived in Canada between 2002 and 2005.

As outlined in Table 3-7, Saskatchewan and Atlantic Canada have the lowest retention rates<sup>37</sup> of pre-IRPA FSWs. Although the Saskatchewan and Atlantic Canada retention rates are higher for IRPA FSWs, they are still the lowest in Canada. The difference in retention rates between the two regimes can partly be explained by the fact that IRPA FSWs have spent less time in the country than pre-IRPA FSWs. Most of the pre-IRPA FSWs included in the study were admitted between 2000 and 2004, while the majority of IRPA skilled workers arrived in 2004 and after. Under pre-IRPA, Atlantic Canada had more FSWs moving in than moving out (positive net change<sup>38</sup> of 12%), however, IRPA FSWs are more likely to move out (negative net change of 7%). Alberta has the highest retention rates for IRPA FSWs.

Survey results indicate that about 7% FSWs have resided in other provinces for a continuous period of more than 3 months after their initial settlement. FSWs moved between the provinces for employment or better job opportunities (69%) or to move closer to relatives or friends or people of same origin (10%). They most often moved from Ontario and to Alberta, although all provinces lost and gained FSWs.

### 3.6. The effectiveness of selection criteria for FSWP

The evaluation findings regarding the effectiveness of the selection criteria are as follows:

#### **A. The economic performance of FSWs is closely linked to whether they have an AEO, language abilities, and/or Canadian work experience, prior to obtaining permanent resident status.**

Once having controlled for province of residence, origin and intended occupation skill type, regression analysis shows that the most relevant factors for economic success of immigrants are, by order of importance, arranged employment, language and work in Canada prior to migration. Among other factors from the selection grid, age, education, work experience and partner's education also have a positive effect on employment earnings, while having received points for relatives in Canada affects earnings of FSWs negatively.

(Note: All results in this section are based on the regression analysis and controlled for a number of factors (items from selection grid, province of residence, origin and intended occupation skill type). For complete regression analysis, refer to Model 3 in Appendix D-2.

- **Arranged employment offer:** Having an AEO is the factor from the selection grid that affects the earnings of FSWs the most. One year after landing, IRPA FSWs who had an AEO were earning 74% more than those who did not have one. However, the gap in earnings between those who had an AEO and those who did not diminishes over time. For every year spent in the country, the gap in earnings diminishes by 9%.

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<sup>37</sup> Represents the percentage of individuals who were intending to settle in a given province who still resided in that province in 2006.

<sup>38</sup> Represents the percentage of increase in residents living in a given province. Derived from subtracting in-migration and out-migration (net change) and dividing it by the number of people initially intending to settle in that province.



- **Language:** The second most important influence on employment earnings is language. The effect of language points on earnings increases gradually with the more points earned, and reaches a peak between 16 to 20 points, which corresponds to having received the maximum points for the knowledge of the first official language. Individuals scoring in that range of points have earnings that are 38% to 39% higher than FSWs who received between 0 to 7 points for language.
- **Adaptability:** Immigrants who worked in Canada for at least one year prior to applying as an FSW earned 27% more than those who did not have Canadian work experience prior to migration. In addition, those who received the maximum number of points (5) for their partner's education under the adaptability factor also have significantly higher employment earnings (12%). However, for those who did not receive the maximum number of points (who received 3 or 4 points), the difference in earnings was not statistically significant, meaning that they do not earn significantly more than those who did not receive any points for their partner's education. Two factors in the selection grid have a negative impact on earnings. The first one relates to having relatives in Canada, which is associated with 8% lower earnings. Having studied in Canada for at least two years prior to migration is also associated with lower earnings (-6%). This could be attributable to their possibly limited work experience or to the fact that some of them may still be pursuing their studies. In addition, the models control for language abilities, which may be one of the benefits of having studied in Canada.
- **Age:** Age at landing<sup>39</sup> is a significant predictor of employment earnings. Results show that immigrants arriving at a younger age earn more than those who arrive in Canada at a later age. Immigrants who were less than 30 years old at landing earned 27% more than people 50 years of age or older, while the gap in earnings was 14% higher for those who were between 45 and 49 years old when they landed, when compared to the older age group.
- **Education:** Points received for education also have an impact on employment earnings<sup>40</sup>. Those who received 25 points (having either a master's degree or a Ph.D) were found to earn 17% more than immigrants who received between 0 and 15 points, and 14% more for those who received 20 points (two year diploma, trade certificate, apprenticeship or two year university diploma). However, immigrants who received 22 points (three year diploma, trade certificate, apprenticeship or two or more university degree at the bachelor's level) have an advantage of only 9% with regards to employment earnings compared to those obtained by FSWs in the reference category (0 to 15 points).

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<sup>39</sup> Of all IRPA cases present in the IMDB, 98% received the maximum number of points allowed for age. Thus, because of the little variation in points for the age factor, age at landing was used to better depict the effect of age on employment earnings.

<sup>40</sup> Points for education under IRPA are awarded as follow: **a) No points** - Have not completed high school; **b) 5 points** - High school completed; **c) 12 points** - One-year diploma, trade certificate or apprenticeship and at least 12 years full-time study; **d) 15 points** - One-year diploma, trade certificate or apprenticeship and at least 13 years full-time study OR One-year university degree at the bachelor's level and at least 13 years of full-time study; **e) 20 points** - Two-year diploma, trade certificate or apprenticeship and at least 14 years full-time study OR Two-year university degree at the bachelor's level and at least 14 years of full-time study (20 pts); **f) 22 points**: Three-year diploma, trade certificate or apprenticeship and at least 15 years full-time study OR Two or more university degrees at the bachelor's level and at least 15 years of full-time study; **g) 25 points** - Master's degree or PhD and at least 17 years of full-time study.



- Work experience: PAs who received the maximum number of points for experience (4 years or more of experience) earned 14% more than immigrants who received points for only one year of work experience prior to migration. There is no significant difference in earnings between those who received points for two or three years of experience when compared to those who had one year of experience.

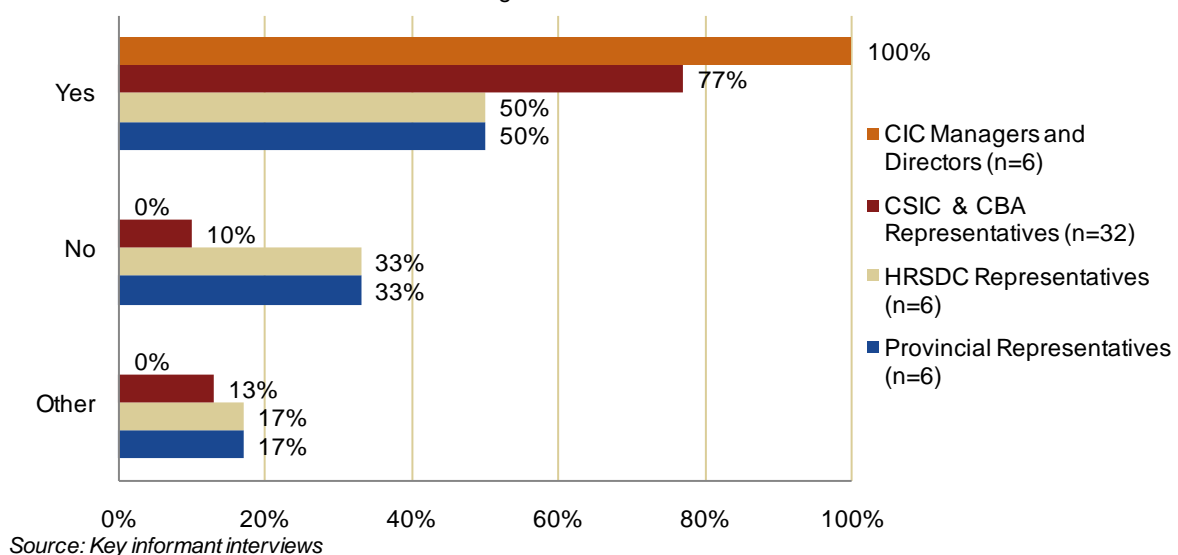
Regression analysis was also conducted for pre-IRPA cases to determine the effect that factors from the previous selection grid had on immigrant earnings. Results obtained for employment earnings of pre-IRPA FSWs indicate similar trends as to the effect on earnings of AEOs, language, age at landing, education and relatives in Canada as those observed for IRPA FSWs. However, prior to the introduction of IRPA, experience did not have any significant impact on earnings, which suggests improvements in the way experience is assessed under the new selection grid. Full regression results are presented in Appendix D-3 and Appendix D-4.

**B. Most key informants believe that the new selection approach that emphasizes human capital factors is a more effective approach than the previous occupational model for maximizing economic outcomes.**

CIC Managers and Directors and most CSIC & CBA representatives strongly believe that the IRPA selection model that puts increased emphasis on human capital factors is more effective. The rationale is that it facilitates better economic success and integration of skilled workers, there is broader diversity in the occupational and professional backgrounds of FSWs, skilled workers are more adaptable to changing labour market conditions, and the program is more focused on sustainability and long term integration. Those who disagreed felt that the approach is less effective in matching people to jobs, dealing with regulated professions, ensuring flexibility in the policy that will reflect a changing economy, and in processing of applications.

**Figure 3-10: Effectiveness of selection approach introduced under IRPA<sup>41</sup>**

Is the selection approach introduced under IRPA a more effective approach to maximize economic outcomes for skilled worker immigrants?



<sup>41</sup> n represent the number of participants who rated the questions.

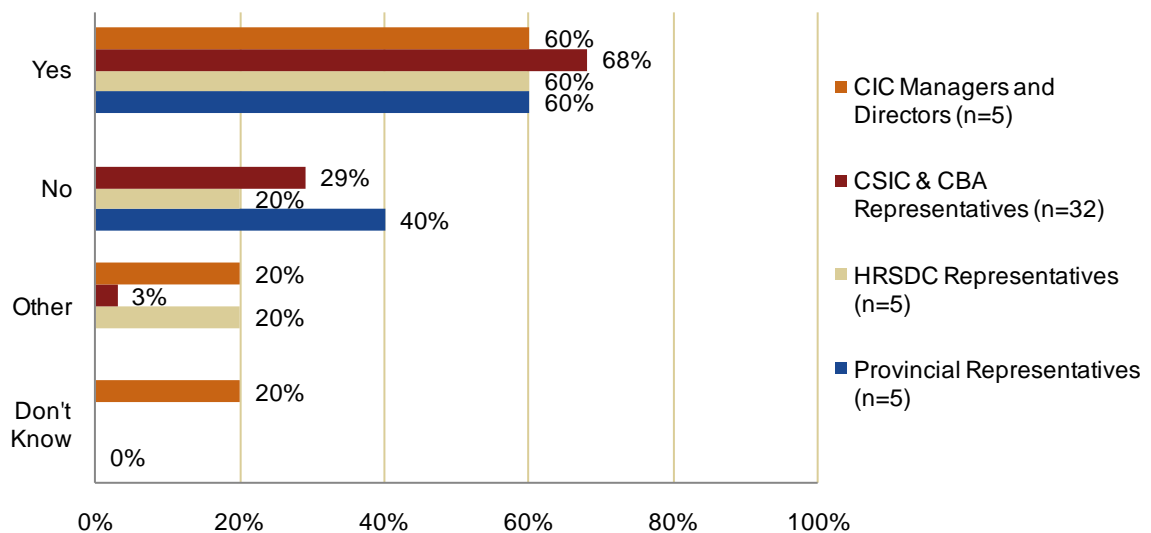
Visa officers in CVOAs were overwhelmingly supportive of the IRPA selection model, noting that it is more objective, efficient and transparent. There was general support for selecting permanent residents on human capital factors as opposed to occupations. While there was strong support for the program design, there was considerable concern about the implementation of the program, including issues ranging from not controlling intake with the pass mark to not having the tools or policies to properly apply the selection factors. Concern was also expressed that the IRPA model had not had sufficient opportunity to succeed, before the introduction of Ministerial Instructions imposed an occupational filter.

**C. Key informants and visa office staff generally consider the selection criteria to be appropriate, however, changes were suggested with respect to the weighting of the criteria and the assessment process. The feedback from the visa officers was highly consistent.**

Over two-thirds of each key informant group viewed the current selection criteria to be appropriate, given the objectives of the program.

**Figure 3-11: Appropriateness of the new selection criteria<sup>42</sup>**

Are the existing selection criteria appropriate given the objectives of the program?



Source: Key informant interviews

The CVOA staff also indicated that the selection criteria under IRPA are appropriate for selecting diverse immigrants who have strong potential to succeed economically and to integrate into the Canadian social and cultural fabric.

CVOA staff provided the following suggestions for improvement:

- **Language:** Visa office staff view language as the single most important factor in the successful integration of immigrants. FSW applicants can submit the results of a language test (typically IELTS) or they can submit a written text with their application, to demonstrate language proficiency. Allowing a written submission introduces subjectivity, inefficiency and the potential for fraud. Visa officers must assess a language submission

<sup>42</sup> n represents the number of respondents who answer the question

that they aren't qualified to assess, nor can they confirm whether the applicant wrote the text. Alternatively, they can send a request to the applicant to submit an approved test result, thus extending the processing time and the effort required to process the file. Visa officers overwhelmingly support mandatory language testing.

Many visa officers supported awarding more points for full fluency in one of the official languages, rather than the current points split between the two official languages and some suggested a mandatory minimum threshold for language fluency.

- **Education:** When allocating education points, visa offices do not have the tools to distinguish between the highest ranked universities in the world and small, local and unregulated schools. Degrees from these two extremes are allocated the same points. Many visa officers argued that it is essential to create equivalencies in education to equitably apply this criterion and to ensure that the FSWP is selecting qualified applicants. London was the one visa office visited that establishes equivalencies, through using the British NARIC system which provides benchmarks for educational equivalencies. Long distance education is becoming more common and posing challenges for the visa officers. The case studies indicate that it isn't being assessed in a consistent manner across the delivery network.
- **Age:** Most visa officers interviewed recommended that the upper limit of the age for which maximum points are awarded be reduced. Proposed ages for maximum points ranged from 35 to 45. Concern was also expressed that some older FSWs are applying to retire in Canada. Interviewees also believe that placing a focus on younger skilled workers would enable the Program to better offset some of the impacts of the aging population (although demographic research suggests a very minimal impact at best).
- **Experience:** Some interviewees suggested points be assigned for work experience in Canada or in similar countries and several noted that Canada should require credential recognition to be established prior to immigration. A primary concern in assigning points for experience is the level of fraud and the difficulty in establishing the validity of the experience, particularly in countries where the economic structures are diverse, with numerous small family-owned businesses.
- **Arranged Employment Offer:** As noted earlier, officers in the visa offices visited were overwhelmingly negative about the AEO. They believe that it is fraught with fraud, difficult to validate the employers and job offers from overseas, inefficient to process, and that it provides an avenue for applicants who cannot receive sufficient points on the key human capital criteria, to be approved as permanent residents. It was noted that it is contrary to the human capital model. Suggestions for improvement ranged from cleaning up the program, to lowering the allocated points, to completely eliminating AEOs.
- **Adaptability: AEOs:** Visa officers across the 5 missions do not support assigning an additional 5 points for AEOs for the reasons noted above.  
**Spouse's education:** Concerns around points for spousal education related to the equivalency issue and the observation that many spouses had never worked in their field.  
**Relative in Canada:** There was widespread concern that a relative in Canada was not related to successful integration. Staff noted that often the relative was geographically distant from the intended destination of the applicant and that the relative is often not immediate family.

Staff in the missions suggested that working and studying in a country other than one's country of nationality' could be an alternative indicator of ability to adapt.

- Pass Mark: The original design for the FSWP under IRPA envisioned periodically adjusting the pass mark to regulate supply and demand. The pass mark was last adjusted in 2003, from 75 to 67, which contributed to an increase in demand and a backlog. The backlog increased each year as the number of applications received exceeded the number of visas issued. Several CVOA staff recommended adjusting the pass mark on a more regular basis.

**D. While there are projected changes in the labour market, these do not appear to directly impact the appropriateness of the current selection criteria.**

Research conducted by HRSDC and reported in *'Looking Ahead – A 10 Year Outlook of the Canadian Labour Market, 2006-2015'* projected that:

- Employment will continue to grow: The growth in employment is expected to slightly outpace the growth in the labour force;
- Employment growth is expected to be fastest in the service-producing industries;
- More than two-thirds of all new jobs are expected to be in occupations usually requiring postsecondary education or in management;
- Over the next 5 years, retirement will continue to increasingly account for a growing share of job openings; and
- Occupations in the health sector and management are expected to remain in demand.

The labour market related changes are not expected to significantly affect the appropriateness of the existing selection criteria. As mentioned previously, some key informants suggested that it may be useful to increase the emphasis and place limits on age in the selection factors in response to the aging population. Other labour market changes may drive revisions to priority occupations and place more pressure on applicants to ensure that their educational credentials are recognized in Canada and valued by employers.

**E. Research of similar programs in other jurisdictions (Quebec) and countries (Australia and New Zealand) shows that, although the selection factors are generally similar to FSWP, the defining characteristics of each factor and the points allocation are somewhat different.**

A comparison across various selection systems revealed some notable differences between the factors used and points awarded under the FSWP and other similar programs.

These include:

- Age - In comparison to the FSWP, Quebec and other countries place greater emphasis on selecting younger applicants. Both Australia and New Zealand have established a 'cut-off age' as a minimum requirement for applying under the skilled immigration category. That is, applicants who are over 45 years old in Australia and over 56 years old in New Zealand are not eligible to apply. Quebec awards maximum points only for applicants aged 18 to 35 years; no points are awarded for applicants older than 42. Australia awards maximum points for applicants aged 18 to 28 years and New Zealand awards maximum points for applicants aged 20 to 29 years.
- Language - Australia and New Zealand have also established 'language proficiency' as a minimum requirement for applying under the skilled immigration category. In New

Zealand, the program does not allocate points for language. However, language is a part of the minimum requirements and applicants must demonstrate a minimum standard (IELTS band score of 6.5) in order to be processed.

New Zealand places the most emphasis on language as the applicants have to meet a minimum language threshold in order to have their application processed<sup>43</sup>. While Australia only allocates 13% of total possible point to language, an applicant must receive a much higher IELTS score to obtain these points. Canada allocates 24% of total possible points for language; however, the standard to receive points is lower. Therefore, an applicant who has an IELTS score of 6 would receive a greater advantage from this score in Canada than in Australia, and the application would not even be considered in New Zealand.

- Work experience - New Zealand awards additional points if the work experience occurred in New Zealand, in an identified future growth area, or in an absolute skill shortage area, thus providing opportunities for workers in the lower skill levels with experience in demand areas to be awarded additional points. Australia awards additional points for at least 3 of the 4 years of experience that occurred before the date of application.
- Education - In Australia, education is assessed as part of the skill level and must be equivalent to Australian degrees. Applicants to New Zealand must have their qualifications recognized by the New Zealand Qualifications Authority.
- Adaptability - Different criteria are assessed under adaptability across the programs. In addition to other adaptability points, Quebec awards points for certain characteristics of the spouse including education and age, for families with young children, and for visits and ties to Quebec. Australia awards points for applicants with Australian education and experience.

Table 3-8 summarizes the percentage of points allocated for each criterion across the programs and the pass mark associated with each selection grid. As mentioned above, a notable difference in the allocation of the points is the importance of language.

In addition, skilled immigrant programs in Quebec and Australia place less value on experience than Canadian and New Zealand programs. New Zealand awards points for relevant work experience, work experience in New Zealand, work experience in an identified future growth area and work experience in an area of absolute skills shortage.

Canada places less emphasis on age and adaptability than the other programs. Adaptability is defined differently across the programs (refer to the adaptability section in the Appendix C: for a more detailed description).

Australia and New Zealand have two sets of marks to help control the intake of applications: a pass mark and a pool mark. The pass mark refers to the minimum number of points an applicant requires to directly qualify for immigration under the skilled migrant category. The pool mark is set lower than the pass mark. Applicants who meet the pool mark but not the pass mark are kept in the pool for 6 months in New Zealand and 2 years in Australia for

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<sup>43</sup> In New Zealand, a score of 6.5 in either the General Training or Academic IELTS Modules is mandatory for skilled migration.

possible changes in the pass mark. Canada has one pass mark currently set at 67 out of 100 points.

**Table 3-8: Percentage of points allocated by countries and selection criteria<sup>44</sup>**

Criteria	Canada	Quebec*	Australia	New Zealand
Education	25%	26% - 23%	30%	25%
Language	24%	21% -18%	13%	Mandatory
Experience	21%	7%	5%	23%
Age	10%	15% - 13%	15%	12%
Arranged Employment	10%	9% -8%	10%	23%
Adaptability	10%	36% -31%	27%	19%
Total Max. Points	100	107 - 123	200	265
Pass Mark**	67	55 - 63	120 (100)**	140 (100)**

\*In Quebec, the minimum pass mark differs for a single applicant, versus one with a spouse (partner). The first percentage reported in the table is for applicants without a spouse and the second one is for applicants with a spouse.

\*\*Australia and New Zealand have set two point marks – a pass mark and pool mark

Processing times for skilled applicants vary across the programs. In Canada, priority applications (Quebec and AEO skilled workers) take about 7 months to process whereas the average processing time for all other FSW applications is 23 months. Quebec applicants are selected by the Quebec government, and the CVOA is only responsible for the admissibility step. (i.e. medical, security and criminality checks) and for issuing the visa.

In New Zealand there is no formal prioritization of the applications. The average processing time after the expression of interest is reviewed and applicants are invited to submit a full application, is about 6 months. Processing times in Australia vary depending on whether the applications are submitted onshore or offshore and whether they have a priority processing (priority applications can take 6 months for onshore applicants and up to 15 months for offshore skilled workers)<sup>45</sup>. Non-priority applications in the skilled independent subclass submitted onshore take up to 2 years to process and applications submitted offshore can take up to 3 years<sup>46</sup>.

### 3.7. The processing of FSWP applications

The major evaluation findings regarding the processing of FSW applications in terms of program transparency, objectivity, processing issues and challenges, and impact of fraud on program implementation are as follows:

#### A. The system is designed to be efficient, transparent and objective.

CIC managers noted that IRPA was designed specifically to be more objective and transparent by simplifying the application process and making changes to the selection criteria such as removing the personal suitability factor, and capturing work experience in

<sup>44</sup> For a further discussion of differences in the selection criteria and points allocation across the region, please refer to Appendix D:.

<sup>45</sup> For the recently updated list of priority skilled migrant applicants in Australia, visit <http://www.immi.gov.au/skilled/general-skilled-migration/pdf/faq-priority-processing.pdf>.

<sup>46</sup> For more on priority application processing times in New Zealand visit <http://www.immi.gov.au/skilled/general-skilled-migration/pdf/faq-priority-processing.pdf>.

one factor. CVOA staff agreed that the program policies have moved towards a more objective and efficient process of selecting skilled workers (i.e. fewer interviews). The drop in the number of substituted evaluations (less than 1% of all applicants are accepted on positive substituted evaluation) reflects the increased confidence of management and other visa office staff in the objectivity of the selection process and reliability of the points system in selecting skilled workers.

The regulations associated with IRPA introduced more simplified assessments by giving weight to attributes which can be demonstrated on paper. Major modifications to the selection points system reduced the number of factors from 10 to 5 (see Table 3-9 below). The major changes that were intended to result in a more transparent and objective process included:

- Education: More points for educational qualifications, with years of schooling taken into account which simplified the educational spectrum (i.e. high school, trade certificate, college diploma or university plus number of schooling), and provided more objective assessment for educational attainment;
- Experience: Removing points for specific vocational preparation and changing the assessment to only consider the number of years of experience;
- Language: The points split between primary and secondary language was adjusted to place more emphasis on the primary language; and
- Personal suitability: This factor was removed as it required an interview and a subjective assessment of adaptability, motivation and resourcefulness. Instead, adaptability criteria, which could be assessed through a review of documents, were introduced.

Table 3-9 summarizes the criteria and points allocation under both regimes.

**Table 3-9: Pre-IRPA, and IRPA selection criteria and points allocation**

Criteria	Pre-IRPA points (%)	IRPA points (%)
Education	16 (14)	25 (25)
Official Language	15 (13)	24 (24)
Experience	8 (7)	21 (21)
SVP - specific vocational preparation	18 (16)	
Age	10 (9)	10 (10)
Arranged Employment	10 (9)	10 (10)
Personal Suitability	10 (9)	
Adaptability (arranged employment, relative in Canada, spouse's education, study in Canada, work in Canada)		10 (10) (5 per factor, max. 10)
Relative in Canada	5 (4)	Under adaptability
Occupation	10 (9)	
Demographic Factor	10 (9)	
<b>Total</b>	<b>112</b>	<b>100</b>
<i>Pass Mark</i>	<i>70</i>	<i>75/67</i>

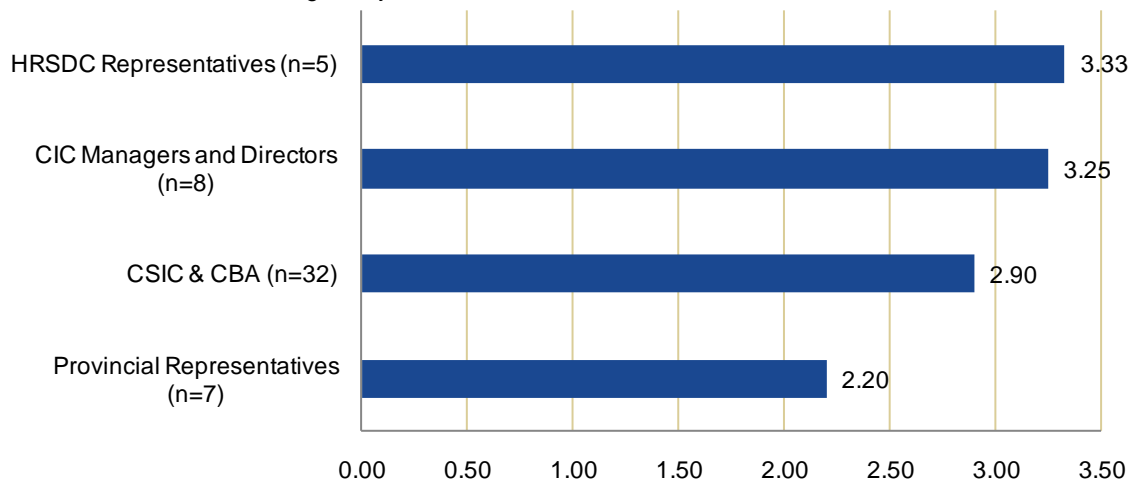


**B. Processing times show that IRPA was successful in reducing the time associated with the selection decision and final decision. However, this was largely offset by an increase in the time required to complete the paper screening, as the rate of applications received exceeded the capacity to process them.**

Key informants indicated that although the Program has improved the selection process, it has been less successful in achieving its objectives with the respect to the timely entry of skilled workers. The various groups were asked to rate the success of the Program in achieving these objectives, on a scale from 1 to 5, where 1 is not at all successful and 5 is very successful. The average ratings ranged from 2.2 amongst provincial representatives to 3.3 amongst HRSDC representatives. Key informants have identified growing inventories and large backlogs as factors that constrain the Program's ability to process skilled workers applications in a timely and effective manner. Other areas where the Program is viewed as being less successful include assessing language abilities of FSWs, ensuring integrity in the processing, and requiring recognition of the credentials in regulated occupations.

**Figure 3-12: FSWP success in achieving its objectives**

On a scale of 1 to 5 where 1 is not at all, 3 is somewhat and 5 is very successful, how successful has the FSWP been in achieving its objectives?



Source: Key informant interviews

The improved transparency of the new selection system was expected to decrease processing times by reducing the time spent interviewing applicants and by removing subjectivity from the assessment process. However, the number of applicants awaiting a decision continued to increase, reaching over 600,000 at the end of 2008, an increase of almost 300,000 persons since 1999. The available data from CAIPS on processing times shows that IRPA was successful in reducing the time associated with the selection decision and final decision, but this was largely offset by an increase in the time required to complete the paper screening (the time required to begin assessing the application as a result of the large backlogs). Overall, the average processing time has increased by 3 months, from 20 months pre-IRPA to 23 months under IRPA.

**Table 3-10: Processing times for pre-IRPA, dual and IRPA FSWS (months)**

FSWP Processing Components	Pre-IRPA	Dual- Assessment	IRPA
Create Date	0.7	3.0	0.8
Paper Screening Decision	4.2	15.4	15.0
Selection Decision	9.3	37.2	4.9
Final Decision	8.2	7.8	7.3
Visa Issued	0.2	0.2	0.1
<b>Total mean months *</b>	<b>19.7</b>	<b>54.8</b>	<b>23.3</b>

\* Total mean months does not represent the sum of all processing components, rather it is the total mean time for the applicants who were selected (final decision).

Source: CAIPS

Processing times vary widely by mission, as outlined in Table 3-11.

**Table 3-11: Processing times for missions visited**

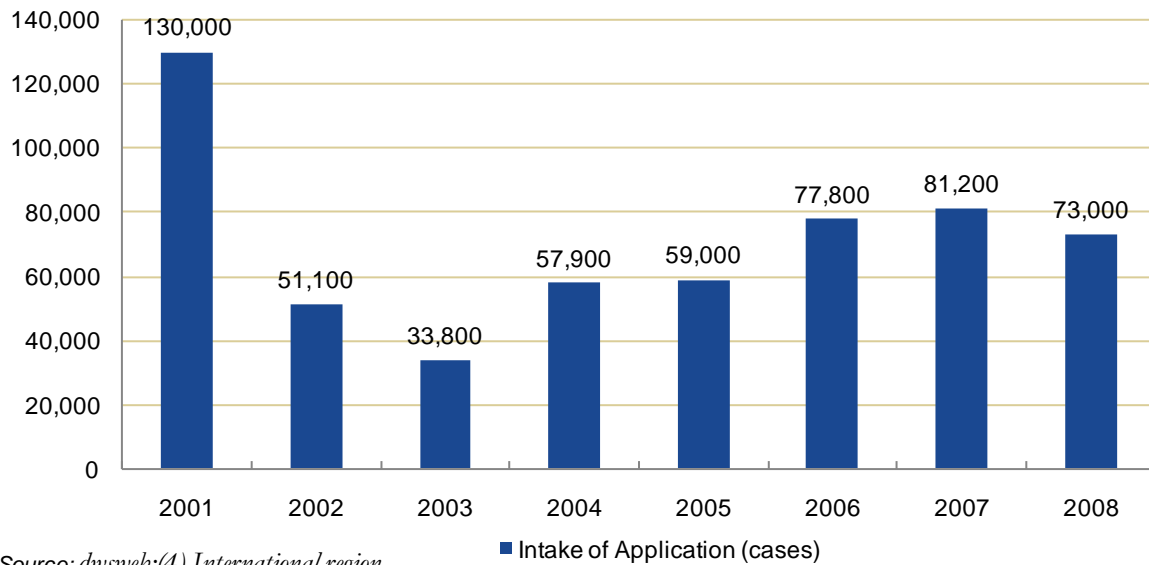
FSWP	London	Hong Kong	New Delhi	Buffalo	Port of Spain	All Missions
Pre-IRPA processing time (mean months)	12	22	29	11	12	20
IRPA processing time (mean months)	26	18	38	20	22	23

Source: dwsweb;(4) International Region, and CAIPS

Factors identified by CIC and CVOA staff as contributing to the large backlogs and long processing times include:

- A significant increase in the number of applications submitted before IRPA came into effect. This was followed by a large decline in applications for the next two years, which raised concerns about visa offices being able to meet their targets over the medium-term. The pass mark was lowered in 2003, from 75 to 67, which increased the intake of applications by 71% in 2004. The number of applications continued to increase until 2008 as indicated below.

**Figure 3-13: FSW applications received – all offices abroad**



Source: *dvnsweb*;(4) International region

The number of applications received can be affected by the political and economic environment of the particular country, as well as other factors such as changes in the regulations (e.g. the intake of applications in Hong Kong increased after the transfer of sovereignty from the United Kingdom to Peoples Republic of China in 1997 but dropped after IRPA was implemented).

- Litigation. Due to the perceived inequity of the transition provisions, a number of applicants initiated litigation challenging these provisions. In response to the court challenges and some court orders, on December 1, 2003, substantive amendments to the *IRPA regulations* took effect, which provided for “dual assessment”, using either the selection criteria of the former *Immigration Act* (IA) or the IRPA, whichever was most advantageous to the principal applicant. As outlined previously, the average processing time for applications that underwent dual assessments was over twice that of pre-IRPA applications (55 months vs. 20 months). CIC managers and visa officers noted that these transitional cases created large bottlenecks in the system as a result of the dual assessment and the litigation which delayed the processing of numerous claims.
- An annual immigration plan is developed and approved by parliament each year, which sets the level of immigration by category. The targeted numbers can vary significantly over time. The targets for the year are then distributed across missions. The missions will be responsible for processing cases in accordance with ranges identified at the beginning of the year. The missions should not exceed the number of visas they were allocated and must work with the priorities that were set in terms of case processing. Applications received under the PNP and the Quebec skilled worker program are given processing priority. Applications received under the new Ministerial Instructions are also given the priority within the FSW category. Those three priorities often limit the ability to process IRPA applications received before the new instructions were implemented. For example, in Hong Kong, targets for the number of visas issued under the FSWP have decreased from over 14,000 in 2002 to just over 3,000 in 2008. According to the management staff

interviewed in Hong Kong, targets in 2008 have been met with applications submitted under Ministerial Instructions, which left little room for processing the backlog.

- Approval rates. Approval rates for IRPA applications have declined between 2004 (78%) – when a significant number of cases started to be processed under that selection regime – and 2008 (57%).

Refusals may be more resource intensive to process than approvals. Low approval rates can be indicative of higher levels of suspected fraud, possibly resulting in an increase in processing times as well as the resources required to process applications. If fraud is suspected visa officers can request additional documentation and, possibly, conduct an interview.

**Table 3-12: Acceptance rate of IRPA FSW applications over time**

	2002	2003	2004	2005	2006	2007	2008
Passed	127	2,735	13,139	15,868	19,949	22,885	25,053
Failed	2,009	6,442	3,728	7,156	8,228	13,287	18,848
Acceptance rate	6%	30%	78%	69%	71%	63%	57%
Withdrawn	436	2,059	1,927	2,604	6,368	4,110	6,249

Source: dwsweb

- The IRPA backlog will take several years to process. As the PNP levels have increased, the IRPA FSW levels have decreased, to accommodate the higher PNP targets; and, IRPA FSWs are one of the few categories that are not considered to be a priority. Therefore, MI applicants are processed first which can limit the number of IRPA FSW applications a visa office can process in a year.
- If an IRPA FSW file is incomplete, the visa officer will request the missing documentation. Documentation is requested for other reasons already noted, for example, to request IELTS test results and to request additional documentation to validate information on the file. The requirement to handle a file multiple times both extends the processing time and increases the level of effort to process the file.

### **C. In certain instances, visa officers do not have the tools to consistently and efficiently implement the FSWP.**

Visa officers across the missions visited expressed their concerns about the tools and resources available to assess applications effectively, particularly with respect to the assessment of:

- Language: The lack of a requirement for a mandatory language test creates several problems. It is inefficient and hinders consistency as visa offices have developed different practices for processing applications without language test results.
- Education: Validating educational credentials and allocating points to foreign degrees is a time-consuming and difficult process as equivalencies to the Canadian educational system haven't been established. As noted, the London visa office can access NARIC (National Recognition Information Centre for the United Kingdom.) Assessing online and long distance education is problematic and not addressed in a consistent manner across the visa offices in the case studies.

- Quality Assurance: In the absence of a delivery network quality assurance program, quality assurance activities vary across visa offices.

**D. The level of suspected fraud further constrains the implementation of the program and efficiency of the selection process.**

All groups of key informants pointed to areas of the program that are susceptible to abuse and fraud, including:

- AEO related fraud, which can range from job offers from non-existent employers, fictitious positions, offers of convenience from friends or family members, and genuine offers with inflated job descriptions.
- Education related fraud, which includes falsified educational certificates and diplomas, certificates from non-existent or non-recognized educational institutions (e.g. in London, out of 36 refused cases we reviewed during the case study, 23 were refused on education related fraud).
- Employment related fraud, which may include false reference letters regarding type and years of experience, bank records, exaggerated job responsibilities, and inflated resumes.

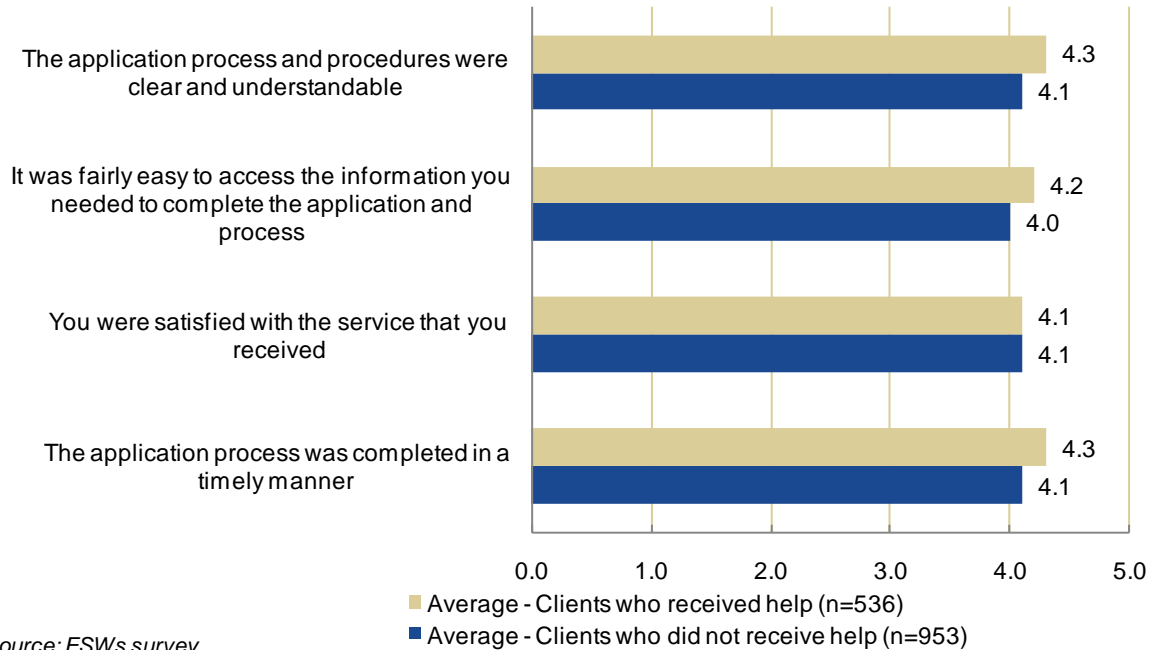
Some visa officers, particularly those working in fraud units, noted other areas where fraud can occur such as imposter fraud on IELTS tests and unreliable written submissions offered as a proof of language, misrepresentation of relatives in Canada, false identity documents, such as police certificates, birth-certificates, adopted children claims, and marriages of convenience.

Visa officers indicated that much of the misrepresentation and fraud is planned, sophisticated and organized by the third parties. CVOA staff expressed concerns with the lack of mechanisms, tools and training to increase the integrity of the program. CIC Managers and Directors also noted that incidence of fraud has grown, but the resources have not kept pace with an increasingly complex environment. All the visa officers interviewed would like to see more measures implemented, such as an increase in the number of years that applicants are banned from reapplying for permanent residence if misrepresentation on their application is demonstrated (currently set at two years), to deter applicants from committing fraudulent activities and to send a message that the Canadian Government will not tolerate unlawful activities

**E. According to the FSWs who were surveyed, the application process and procedures are clear and understandable, information is accessible, and the services they received were satisfactory.**

Approximately 36% of FSWs reported receiving assistance in the application process from a third party (e.g. from immigration consultants and lawyers). As indicated in the following chart, FSWs were satisfied with the application process, regardless of whether they received assistance.

**Figure 3-14: FSWs satisfaction with the program**



Those FSWs who did receive help with the application process tended to be older applicants (about one-third of applicants in their 20s received help compared to over one-half of those aged 50 years and older), less educated (44% of applicants with 12 years of education or less received help versus 36% of those who had more than 13 years of education), and more likely to have an AEO (44% of AEO FSWs received assistance versus 34% of others).

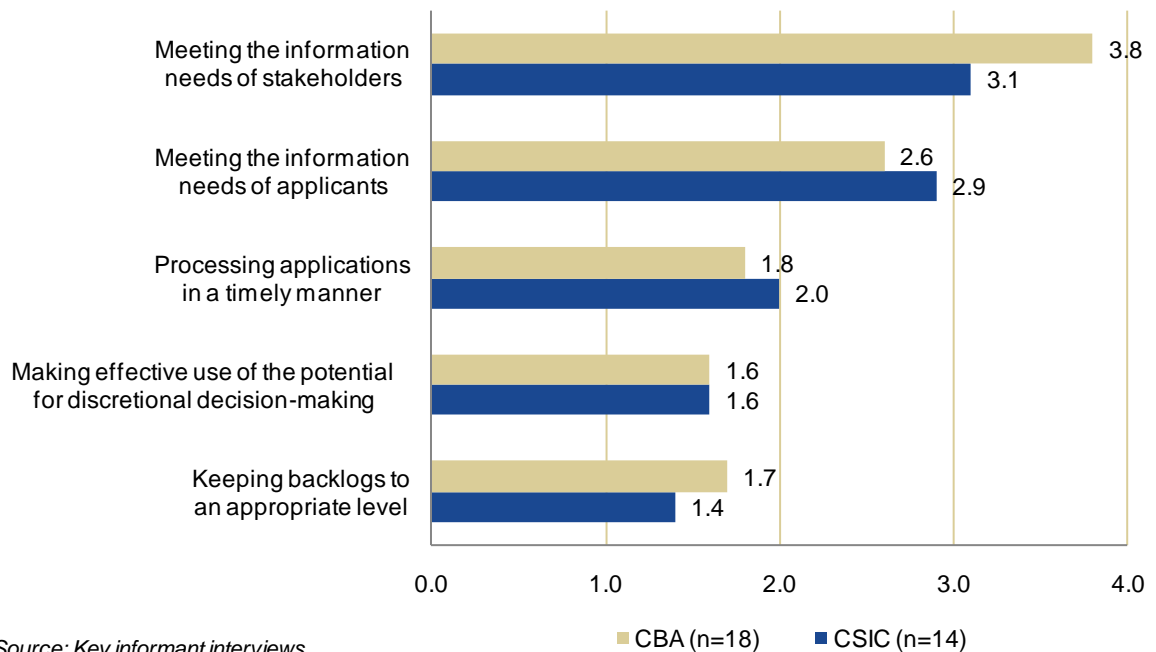
FSWs who expressed concerns about the process and procedures felt that the instructions were complicated, unclear and ambiguous, it was difficult to make contact with a representatives in the visa office, there were concerns about customer service (e.g. lack of guidance, lost documents, poor communication), and required documents were hard to obtain (e.g. school records, old documents, original copies of transcripts and employment).

**F. CSIC and CBA representatives were less satisfied than the FSWs with the success of the Program with respect to meeting the information needs of stakeholders and their applicants.**

The CSIC and CBA representatives were asked to rate the success of the FSWP in terms of meeting the information needs of applicants, meeting the information needs of other stakeholders, processing applications in a timely manner, keeping backlogs to an appropriate level, and making effective use of the potential for discretionary decision-making on a scale of 1 to 5, where 1 is not at all successful and 5 is very successful. As indicated below, the primary concerns of these representatives related to backlogs, processing times, and the limited use of substitute evaluation in situations where the FSWs do not otherwise obtain the pass mark.

**Figure 3-15: FSWP success in processing areas (CSIC and CBA ratings)**

*How successful has the FSWP been in:*



About 61% of CSIC and CBA representatives said that their FSWs are not satisfied with the application and selection processes of the FSWP because the process takes too long, applicants can't make plans due to the uncertainty of the processing times, and they are frustrated with the paper work. Where there were concerns regarding meeting information needs, the CSIC and CBA representatives felt that the program has not effectively addressed communication issues by regularly updating websites, providing clear and complete information about the requirements and points system, and effectively corresponding on case-specific inquiries.

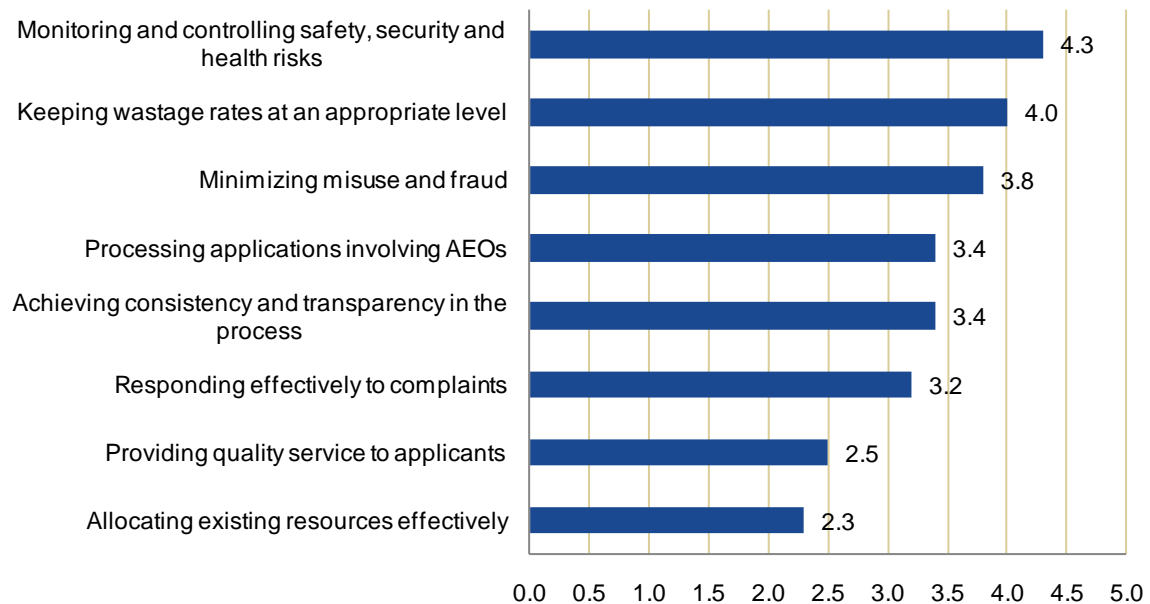
**G. CIC Managers and Directors expressed some concerns about the success of the Program in providing quality services to FSWs and in effectively allocating resources.**

As indicated in the chart below, CIC managers and directors generally indicated that the Program has been successful in monitoring and controlling safety, security and health risks, as well as keeping wastage rates at an appropriate level<sup>47</sup> (providing the ratings of 4.3, and 4.0 respectively).

<sup>47</sup> Wastage rates are at about 5.4% under IRPA (Source: International Region).

**Figure 3-16: FSWP success in processing areas (CIC ratings, N= 8)**

*On a scale of 1 to 5 ... , how successful has the FSWP been in:*



*Source: Key informant interviews*

Provision of quality services to FSWs and effective allocation of the resources were rated as less successful areas (2.5 and 2.3 respectively). CIC representatives noted that resource shortages have affected the provision of quality services to applicants. They suggested that the level of resources allocated to ensuring the integrity of the program has not kept pace with the level of fraud experienced in some regions. Furthermore, the funding model does not recognize differences in the intake levels for applications and levels of refusals. As noted earlier, IRPA approval rates have declined from 78% in 2004 to 57% in 2008.

All five CVOAs visited have established a client service unit, or have designated a client service responsible staff member(s) who deals with FSWs' and stakeholders' inquiries and ensures timely and standardized correspondence. Missions with higher volumes of applications such as London and New Delhi have set up a client service unit of 6 to 8 visa office staff. Smaller offices have one or two staff responsible for general inquiries and distribution of case specific emails to the program assistants or officers responsible for the file.

Staff in the visa offices visited generally believe that the program is successful in providing information to applicants and responding to their needs, given the resources available. Despite the volumes, emails are responded to in a reasonable time frame. In Buffalo, standardized replies for general inquiries on status, processing times, fees, new regulations etc., are sent within 24 hours. In the New Delhi office, most inquiries are dealt with within two weeks. Information needed to successfully complete an application is available on the website, although some skilled workers noted that the amount of information can be overwhelming and that it is difficult to receive answers to questions that are specific to their case.



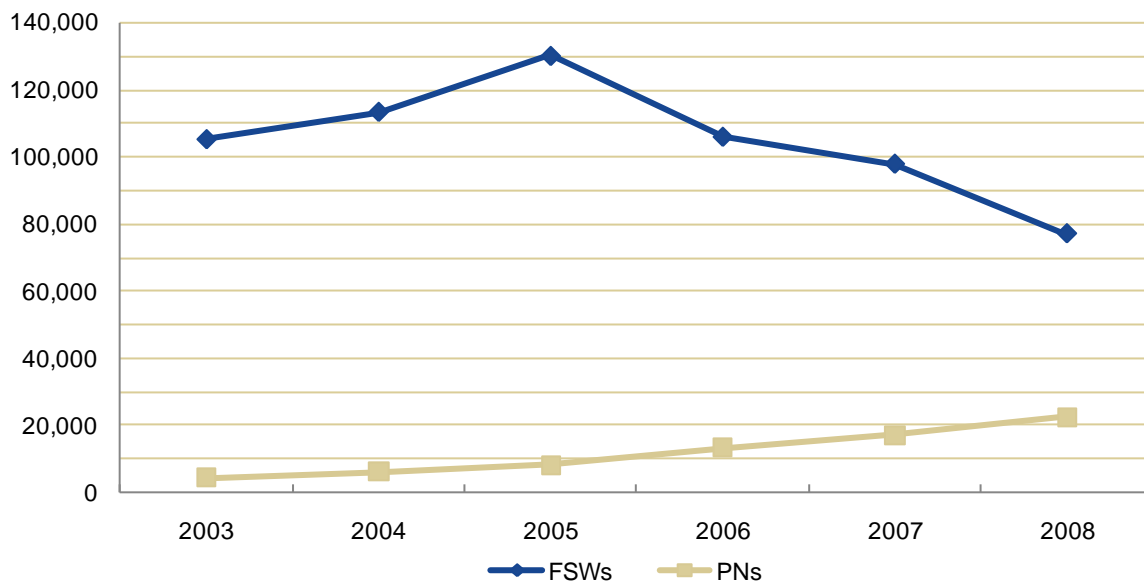
### 3.8. Other program impacts

The findings regarding other program impacts are as follows:

- A. Most provincial governments prefer the PNP due to its perceived responsiveness about provincial priorities and needs. As the PNP has expanded in recent years, the levels for the FSWP have been reduced, to ensure CIC adheres to the annual levels plan.**

Targets for the PNP have been growing while targets for FSWP have declined. From 2002 to 2008, the minimum visa target for the FSWP decreased from about 116,000 to 67,000 visas while the PNP target increased from 1,500 to 20,000.

**Figure 3-17: Number of federal skilled workers and provincial nominees admitted to Canada from 2003-2008**

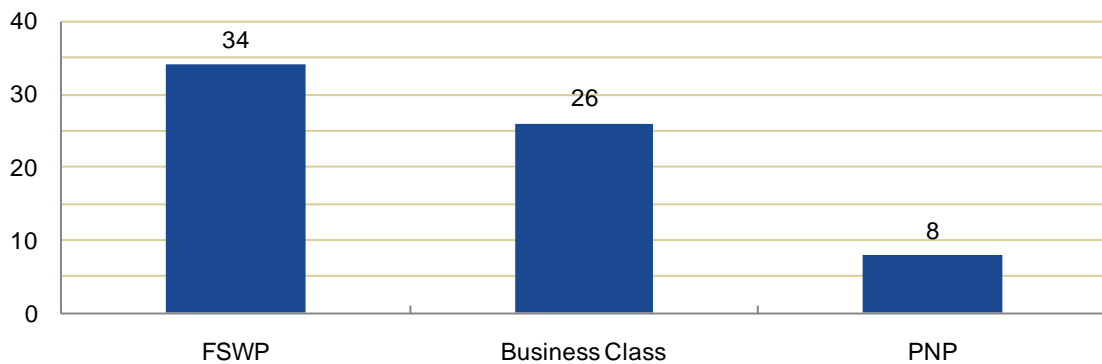


Source: Annual report to Parliament 2003-2008

Although Provincial representatives interviewed generally support FSWP, particularly those from Ontario and BC that benefit the most from the Program, they perceive PNP as being more effective due to its flexibility, responsiveness to immediate labour needs and provincial priorities, ability to attract workers who wish to settle in destinations other than major urban centers and shorter processing times.

As indicated in Figure 3-18, median processing times for other economic categories (particularly PNP) are significantly shorter than those of the FSWP. However, PNP processing times do not include the selection process which is a provincial responsibility.

**Figure 3-18: Median processing times for economic programs in 2008 (months)**



Source: dwsweb; (4) International region

## **B. The profile of FSWs has changed and is more diversified under IRPA.**

The selection criteria under IRPA, which places more emphasis on human capital factors, have resulted in changes in the characteristics of FSWs. For example, under IRPA<sup>48</sup>:

- FSWs are more likely to have either a master's degree or a PhD (46%) compared to pre-IRPA (26%);
- FSWs reporting no English or French language skills has decreased with IRPA (23% vs. 4%);
- Increased number of female applicants (30% compared to 23% from pre-IRPA);
- FSWs have been attracted from a wider range of professions. For example, under pre-IRPA, 60% of FSWs were in NOC 21 occupations (primarily engineering and software related professions). This percentage decreased under IRPA to 33%. Conversely, FSWs intending to work in occupations NOC 41 (Professional occupations in social science, education, government services and religion) have increased from 4% under pre-IRPA, to 18% under IRPA;
- There has been a drop in admissions from Asian FSWs, particularly from China, which may be attributable, at least in part, to the more stringent language requirements under IRPA. The percentage of the FSWs identifying China as the country of last permanent residence dropped from 28% to 16% under IRPA, and FSWs coming from China and intending to work in NOC 21 dropped from 24% of the pre-IRPA to representing only 7% of the IRPA flow.

As a result, the profile of FSWs under IRPA is more diversified, especially with respect to occupational and country distribution. IRPA FSWs are also more educated and have a better knowledge of official languages.

<sup>48</sup> FOSS analysis for this section is based on FSWs PA who landed between 2000 and 2006.

## 4. CONCLUSIONS

The major conclusions arising from evaluation of the FSWP are as follows:

### **A. All stakeholder groups recognize a strong, continuing need for the Federal Skilled Worker Program.**

Interviewees attributed the strong need for the program to the importance of skilled workers to the Canadian economy and the presence of skill shortages which result from economic growth combined with increased rates of retirement as the population ages (although economic data has not indicated widespread skill shortages). They also felt that the Program also contributes to increasing diversity in the social and economic fabric of Canadian society by supplying qualified and experienced workers. While most stakeholders see a definite need for the FSWP, Provincial Representatives are less likely to perceive a strong need because they view the FSWP as focused primarily on addressing the need for highly skilled workers over the medium-term. The FSWP is also viewed as being less responsive to changes in immediate needs than the Provincial Nominee Program (PNP). Finally, the FSWP is also viewed as not fully addressing the needs of regional areas outside big urban cities where FSWs tend to concentrate.

The FSWP is consistent with departmental and Government-wide priorities in that it helps to strengthen the Canadian labour market and economy, maintain a stable workforce, and build a stronger and more competitive country. Stakeholders suggest that by targeting different pools of workers and responding to different economic needs, the Provincial Nominee Program (PNP) and Canadian Experience Class (CEC) programs complement, rather than duplicate, the FSWP. While the PNP focuses on immediate needs including the need for less skilled workers, the FSWP focuses on highly-skilled individuals whose backgrounds should enable them to adapt to rapidly changing markets and form strong, long-term attachments to the labour market.

### **B. The findings from the IMDB analysis and the client surveys demonstrate that FSWs become established economically and meet the needs of employers.**

Of the IRPA FSWs filing tax returns, the percentage reporting employment and/or self-employed income increases from 84% one year after landing to 89% three years after landing. Employment earnings also increase over time.

Ninety-five percent of the employers surveyed for the evaluation indicated that FSWs are meeting or exceeding expectations. Further, most employers (63%) had found it difficult to fill the position for which the FSW was eventually hired.

### **C. Adoption of the new FSWP selection criteria in 2002 has improved the economic performance of FSWs and is broadly supported by the key informants.**

IMDB data indicates that the average employment earnings of IRPA FSWs are higher than those of pre-IRPA FSWs. For the 2004 cohort, for example, employment earnings increased from \$40,100 in the first year after landing to \$47,500 a year later, while average employment earnings for pre-IRPA FSWs increased from \$24,300 to \$31,300 for the same time period. The percentage of FSWs reporting employment insurance receipts or social assistance benefits has also declined with the introduction of IRPA. IMDB regression analyses of FSW earnings also show that the selection regime significantly affects the level of income of FSWs. IRPA FSWs earn significantly more than their pre-IRPA counterparts.

The new selection approach emphasizing human capital is viewed by stakeholders as being more effective than the previous approach because it facilitates better economic success and integration of skilled workers, there is broader diversity in the occupational and professional backgrounds of FSWs, and skilled workers are generally more adaptable to changing labour market conditions.

**D. Skilled workers who have arranged employment significantly outperform those without an AEO. However, some CVOA staff are much less supportive of using AEOs as they exist because of serious concerns regarding the integrity of arranged employment offers and the amount of work required to process those applications.**

IMDB data shows that the average employment earnings for FSWs with an AEO<sup>49</sup> (an average of \$79,200 three years after landing) are significantly higher than the earnings of those who did not have an AEO (an average of \$44,200 three years after landing). Results from the client survey support this finding. In addition, the survey indicates that IRPA FSWs with an AEO are more likely to still be working for their first employer in Canada.

In the case studies, some CVOA staff expressed serious concerns over the level of fraud involved, the due diligence required to assess the validity of job offers and the legitimacy of the employers providing AEOs, and difficulties in performing that due diligence from abroad. In some offices, there are significant concerns about fraud associated with job offers from non-existent employers, fictitious positions incompatible with the type of business or business operations, offers of convenience from friends or family members, and genuine offers with inflated job descriptions. AEOs are less of a concern in the Buffalo visa office, where most such applications are from FSWs already in Canada.

**E. Processing times show that IRPA was successful in reducing the time associated with the selection decision and final decision. However, this was largely offset by an increase in the time required to complete the paper screening, as the rate of applications received exceeded the capacity to process them. Notwithstanding this, the revisions have resulted in a system that is more transparent, objective, and easier to understand.**

It was anticipated that moving to a more objective, transparent and efficient skilled worker selection process, involving fewer interviews and less frequent use of substituted evaluations, would reduce processing times and backlogs.

However, average processing times increased by 3 months (from an average of 20 months under pre-IRPA to an average of 23 months under IRPA). Reductions in the time required for the selection decision and final decision were largely offset by an increase in the time required to complete the paper screening (initial screening of the applications was delayed by the large number of files in the queue and competing priorities). The backlog increased sharply from 330,000 in 1999, to over 600,000 as of the end of 2008.

Key factors that contributed to this increase in the backlog include:

- High intake levels for applications. There was a surge in the number of applications received before IRPA came into effect in 2001, and again in 2004, when the pass mark was lowered from 75 to 67.

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<sup>49</sup> Of all IRPA FSWs PA in the, 13.5% had obtained points for an AEO.

- **Litigation.** Due to the perceived inequity of these transition provisions, a number of applicants initiated litigation challenging these provisions. In response to these court challenges and some court orders, on December 1, 2003, substantive amendments to the IRPA regulations took effect, which provided for “dual assessment”, using either the selection criteria of the former *Immigration Act* (IA) or the IRPA, whichever was most advantageous to the principal applicant. The applications that underwent dual assessments after introduction of IRPA, created delays in the application processing (the average processing time increased from 20 months under pre-IRPA to 55 months for dual assessed applications).
- **Competing priorities and reduced visa targets.** From 2002 to 2008, the minimum target for the FSWP decreased from 116,000 to 67,000 visas. Applications received under the PNP, the Quebec skilled worker program and the Ministerial Instructions are given priority within the economic class, which often limits the ability to process IRPA applications received before Ministerial Instructions were introduced. Lowering the visa targets for the FSWP limits the ability of a CVOA to tackle its backlog. For example, in the Hong Kong office the targets for 2008 were met mostly through processing priority applications (Ministerial Instruction), which means that not much progress was made in processing applications submitted under IRPA.
- **Potential for fraud.** Fraud is prevalent across the CVOAs visited, and is a major concern for visa officers. Some areas suffer from higher levels of fraud, which is at least in part evident in the level of the approval rates in different visa offices. In such cases, it may take longer to assess an application.
- **Limited access to effective tools and resources.** A lack of standardized tools to aid in the assessment of language, education, and work experience makes it very difficult to achieve consistent, reliable and timely processing of applications.
- **Adjusting the pass mark.** While it was envisioned in the program design that the pass mark would be adjusted to manage backlogs, this has not occurred since 2003. Countries with similar programs such as Australia and New Zealand have introduced more flexibility by setting a pass mark and a pool mark which helps them better balance the demand and supply.

Findings from the client survey and case studies indicate that the application process and procedures are clear and understandable, information is accessible, and FSWs are generally satisfied with the services they have received. Stakeholders are somewhat less satisfied than FSWs with respect to the success of the Program in meeting the information needs of stakeholders and their applicants, and CIC managers and directors expressed some concerns about the success of the Program in providing quality services to FSWs and in effectively allocating resources.

**F. Regression results from the IMDB indicate that factors of the selection grid significantly affect the level of earnings of the IRPA FSWs. While most key informants view the current selection criteria to be appropriate given the objectives of the Program, many identified potential opportunities for improvement with respect to the assessment process and the number of points awarded for various criteria.**

The IMDB regression results indicate that the selection factors are an effective predictor of economic performance. In particular, the economic performance of FSWs is closely linked

to whether they have an AEO as well as to their language abilities and work experience in Canada prior to obtaining permanent resident status. While the characteristics of the labour market will continue to evolve, this is not expected to directly impact the appropriateness of the current selection criteria. However, input from key informants, CVOA staff, and research on other similar programs suggests that consideration should be given to:

- Requiring formal language testing and placing greater emphasis on full fluency in one of the official languages.
- Placing a higher priority on younger skilled workers and reducing the upper limit of the age range for which maximum points are awarded. Suggestions for obtaining maximum points ranged between 35 to 45 years old.
- Establishing educational equivalencies for foreign degrees within the Canadian system and requiring credential recognition in regulated professions prior to applying for permanent residence.
- Reviewing the adaptability criterion particularly with respect to awarding AEO points under two different criteria, spousal education, definition of relatives in Canada, and introducing points for experience in working and studying in a country other than one's country of nationality. In comparison to other countries, Canada places more emphasis on foreign experience and less emphasis on the adaptability criteria.
- Adjusting the pass mark on a more regular basis.
- Increasing the number of years that applicants are banned from reapplying for permanent residence if misrepresentation on their application is demonstrated (currently set at two years).

**G. Most provincial governments prefer the PNP due to its perceived responsiveness about provincial priorities and needs. As the PNP has expanded in recent years, the levels for the FSWP have been reduced, to ensure CIC adheres to the annual levels plan.**

Most provincial governments prefer the PNP, citing perceived advantages such as greater responsiveness to immediate labour needs and provincial priorities, the ability to attract workers who wish to settle in destinations other than major urban centers and shorter processing times.

In response to strong provincial support, the target for the PNP has increased from 1,500 visas in 2002 to 20,000 visas in 2008. According to official documents and available data, the minimum targets for the FSWP decreased from 116,000 visas to 67,000 visas over the same time period.

**H. The characteristics of FSWs have changed and are more diversified with the introduction of IRPA.**

In response to the changes in regulations and selection criteria, the characteristics of FSWs have changed under IRPA. Some changes in characteristics such as education (e.g. FSWs are more likely to have either a master's degree or a PhD), knowledge of official languages (less report not knowing either official languages) and professional backgrounds (drawing from a more diverse range of occupations), occurred with IRPA. Other changes such as the drop in admission from Asia and the increased share of women also happened. A secondary

outcome of IRPA is therefore the diversification of the profile of FSWs admitted under that regime.



## Appendix A: PROFILE OF FEDERAL SKILLED WORKERS SURVEYED

Out of 30,000 FSWs who arrived to Canada between 2002 and 2008 and were invited to participate in the study, 2,053 consented and 1,499 were surveyed. The information on the number of years of school completed, landing province, their gender, country of birth, level of education, age at time of landing, marital status, mother tongue, and the knowledge of official languages, allows the profile comparison of FSW surveyed to that of the sample (30,000) and the population (66,612). Appendix A presents the various distributions.

### Appendix A-1: Number of years of school completed

Years of School	Respondents surveyed	Total Sample	Population
n/a	5.0%	3.9%	3.9%
1-14	7.9%	5.6%	5.8%
15	10.5%	8.4%	8.6%
16	15.4%	15.9%	15.8%
17	16.8%	16.5%	16.5%
18	14.3%	18.5%	18.6%
19	10.2%	10.5%	10.3%
20	6.7%	7.7%	7.6%
21	5.1%	4.7%	4.7%
22	2.4%	3.3%	3.4%
23	2.4%	2.0%	2.0%
24	1.4%	1.2%	1.2%
25	2.0%	1.6%	1.6%

### Appendix A-2: Intended province of destination

Province	Respondents surveyed	Total Sample	Population
Unknown	0.0%	0.0%	0.0%
Newfoundland	0.4%	0.2%	0.3%
Prince Edward Island	0.5%	0.1%	0.1%
Nova Scotia	2.5%	1.5%	1.4%
New Brunswick	0.5%	0.5%	0.4%
Quebec	2.0%	2.5%	2.5%
Ontario	56.7%	63.6%	61.8%
Manitoba	1.3%	0.9%	0.9%
Saskatchewan	1.0%	1.1%	1.0%
Alberta	14.8%	10.7%	10.1%
Northwest Territories	0.0%	0.0%	0.1%
British Columbia	20.1%	19.0%	21.3%
Yukon	0.2%	0.0%	0.1%
Nunavut	0.0%	0.0%	0.0%

### Appendix A-3: Gender

Gender	Respondents surveyed	Total Sample	Population
Male	64.2%	69.4%	69.3%
Female	35.8%	30.6%	30.7%

#### Appendix A-4: Country of citizenship

Rank Surveyed	Citizenship country	Respondents surveyed	Rank - CIC file	Total Sample	Population
1	British	11.2%	3	6.6%	6.7%
2	India	8.3%	1	16.8%	16.8%
3	China	6.9%	2	15.8%	16.2%
4	U.S.A.	6.7%	4	4.3%	4.4%
5	Philippines	5.2%	7	3.1%	3.1%
6	Russia	2.7%	10	1.9%	1.8%
7	Nigeria	2.7%	14	1.4%	1.3%
8	Netherlands	2.3%	34	0.6%	0.6%
9	Iran	2.3%	9	2.1%	2.0%
10	Mexico	2.1%	17	1.0%	1.1%

#### Appendix A-5: Level of education

Education	Respondents surveyed	Total Sample	Population
None	5.0%	3.9%	3.7%
Secondary or less	1.0%	0.7%	0.8%
Formal Trade Cert. or Apprenticeship	4.2%	2.2%	2.3%
Non-University Certificate or Diploma	8.5%	7.8%	7.9%
Some University- No Degree	2.7%	1.4%	1.4%
Bachelor's Degree	41.0%	37.3%	36.9%
Some Post-Grad Education - No Degree	1.0%	1.7%	1.6%
Master's Degree	26.7%	37.1%	37.5%
Doctorate	9.8%	7.9%	8.1%

#### Appendix A-6: Age at time of landing

Age	Respondents surveyed	Total Sample	Population
20-24 years old	1.1%	1.2%	1.1%
25-29 years old	14.8%	19.6%	19.6%
30-34 years old	21.1%	28.5%	28.7%
35-39 years old	22.3%	21.1%	20.9%
40-44 years old	18.3%	15.1%	15.1%
45-49 years old	13.9%	9.3%	9.3%
50-54 years old	6.1%	4.0%	4.1%
55-59 years old	1.2%	0.7%	0.7%
60-64 years old	0.4%	0.3%	0.3%
65-69 years old	0.2%	0.1%	0.1%
70-74 years old	0.2%	0.0%	0.0%
75-79 years old	0.1%	0.0%	0.0%
80-84 years old	0.1%	0.0%	0.0%
85-89 years old	0.0%	0.0%	0.0%

#### Appendix A-7: Comparison of maximum, minimum and average ages

Age	Respondents surveyed	Total Sample	Population
Maximum	82 years old	89 years old	89 years old
Minimum	22 years old	4 years old	4 years old*
Average	38 years old	36 years old	36 years old
65 years old and over	8	43	78
70 years old and over	5	14	26
75 years old and over	2	8	13
80 years old and over	1	4	6

\* This is likely due to a coding error.

#### Appendix A-8: Marital status

Marital status	Respondents surveyed	Total Sample	Population
Unknown	0.0%	0.0%	0.0%
Single	32.1%	34.3%	34.2%
Married	60.2%	60.5%	60.4%
Widowed	0.2%	0.2%	0.2%
Divorced	3.1%	2.1%	2.2%
Separated	0.5%	0.3%	0.4%
Common-law partner	3.8%	2.6%	2.6%

#### Appendix A-9: Mother tongue

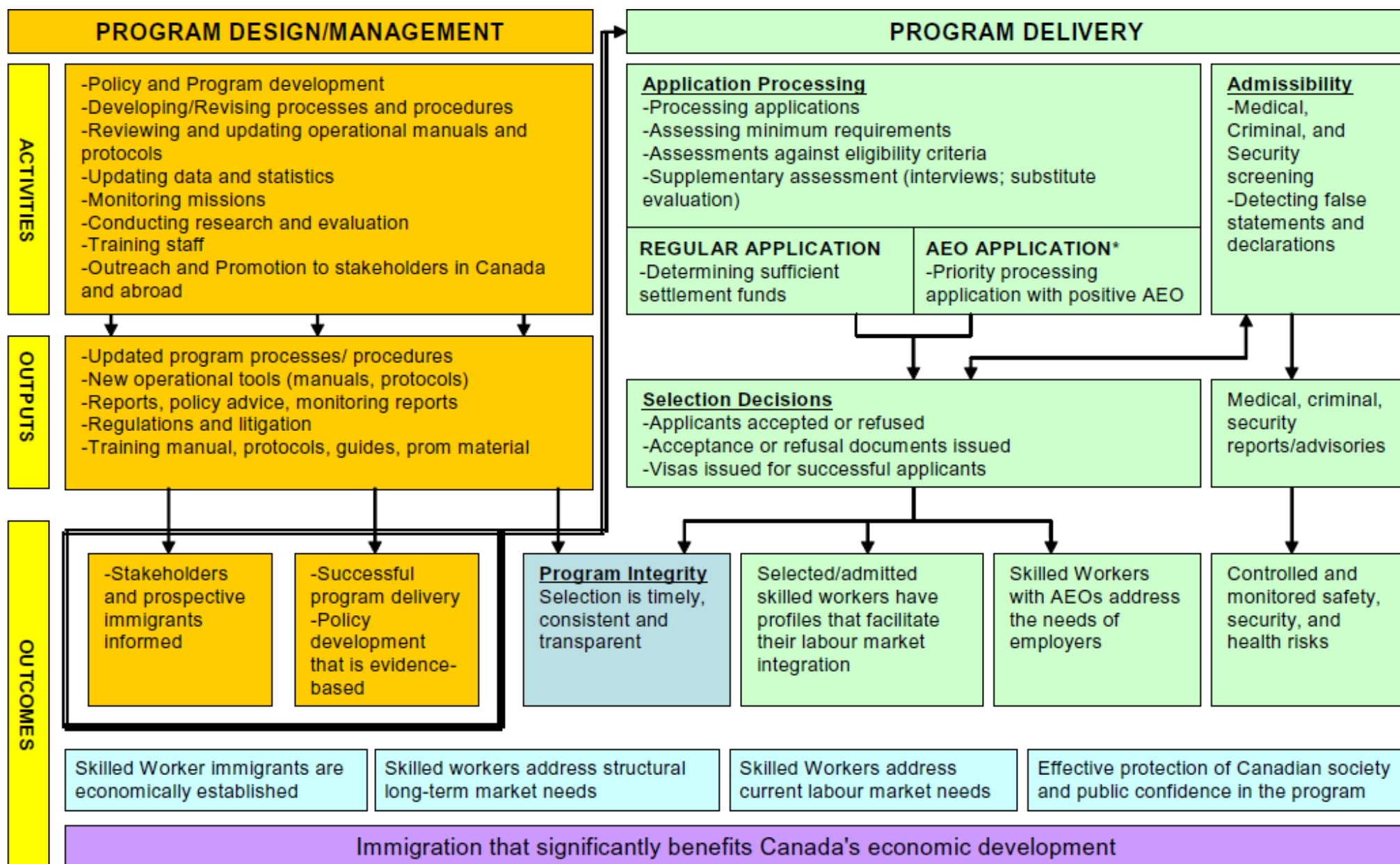
Rank Surveyed	Mother tongue	Respondents surveyed	Rank - CIC file	Total Sample	Population
1	English	28.9%	1	19.3%	19.2%
2	Spanish	8.5%	5	4.6%	4.4%
3	Arabic	4.9%	4	5.6%	5.5%
4	Russian	4.8%	8	3.6%	3.5%
5	Mandarin	4.4%	3	8.6%	8.8%
6	Chinese	4.1%	2	9.4%	9.9%
7	Tagalog	3.9%	11	2.5%	2.6%
8	German	2.5%	19	1.2%	1.2%
9	Dutch	2.1%	31	0.6%	0.6%
10	Hindi	2.0%	6	4.6%	4.7%

#### Appendix A-10: Official languages

Official languages	Respondents surveyed	Total Sample	Population
English	82.0%	84.7%	85.0%
French	1.1%	1.0%	1.0%
Both French and English	14.5%	11.2%	11.0%
Neither	2.3%	3.1%	3.1%



## Appendix B: LOGIC MODEL FOR FSWP



\* The AEO itself is conducted by HRSDC; CIC also awards additional points under eligibility criteria for this activity



## Appendix C: COMPARISON OF CANADA'S FEDERAL SKILLED WORKERS PROGRAM SELECTION SYSTEM WITH OTHER SIMILAR PROGRAMS IN 2009

Country/ Region	Description	
Eligibility requirements		
Canada	<ul style="list-style-type: none"> <li>The applicant must have at least one year of continuous full-time paid work experience, or the continuous part-time equivalent, in the category of Skill Type 0, or Skill Level A or B, according to the Canadian National Occupational Classification (NOC). <ul style="list-style-type: none"> <li>The work experience which will be assessed for all skilled worker applicants must: <ul style="list-style-type: none"> <li>have occurred within the 10 years preceding the date of application;</li> <li>not be in an occupation that is considered a restricted occupation.</li> </ul> </li> </ul> </li> <li>The applicant must have: <ul style="list-style-type: none"> <li>Performed the actions described in the lead statement for the occupation(s) as set out in the occupational description of the NOC;</li> <li>Performed a substantial number of the main duties, including all of the essential duties, of the occupation as set out in the occupational description of the NOC.</li> </ul> </li> <li>The applicant has sufficient funds available for settlement in Canada.</li> </ul>	
Quebec	<ul style="list-style-type: none"> <li>A minimum of a diploma corresponding to a general or vocational high school diploma in Québec</li> <li>Work experience in an occupation with a skill level above "D" as defined by NOC, within the five years preceding the date of application</li> </ul>	
Australia	<ul style="list-style-type: none"> <li>Under 45 years old</li> <li>Sufficient English language ability</li> <li>Must meet the qualifications and/or work experience requirements of the appropriate skills assessing body for their profession.</li> <li>Must be assessed as suitable by the relevant body for the nominated occupation on the current version of the Skilled Occupations List</li> <li>Work experience in the nominated occupation for 12 months out of the previous 24 months prior to submitting an application.</li> </ul>	
New Zealand	<ul style="list-style-type: none"> <li>Under 56 years old.</li> <li>The minimum standard of English is an IELTS certificate, with a band score of 6.5</li> <li>Principal applicant and all dependants must be in good health.</li> <li>Job offer, or tertiary or trade qualifications, or two years work experience</li> </ul>	
Work Experience		Max. points
Canada	<p>Maximum of 21 points are awarded for experience:</p> <ul style="list-style-type: none"> <li>Four years or more -21 points</li> <li>Three years -19 points</li> <li>Two years or more -17 points</li> <li>One year -15 points</li> </ul>	21
Quebec	<p>Up to 8 points awarded for experience:</p> <ul style="list-style-type: none"> <li>48 months – 8 points</li> <li>24 to 47 months - 6 points</li> <li>6 to 23 months – 4 points</li> </ul>	8



Country/ Region	Description	
Australia	Additional points are awarded for years of experience <ul style="list-style-type: none"> <li>• In nominated occupation which is worth 60 points or in a closely related occupation, for at least 3 of the 4 years of experience before the date of application - 10 additional points are awarded.</li> <li>• In nominated occupation which is worth 40 or 50 points or in a closely related skilled occupation for at least 3 of the 4 years before the date of application - 5 additional points are awarded.</li> </ul>	10
New Zealand	Maximum of 30 points can be claimed for number of years worked in the relevant occupation <ul style="list-style-type: none"> <li>• Four years – 15 points</li> <li>• Six years – 20 points</li> <li>• Eight years – 25 points</li> <li>• Ten years – 30 points</li> </ul> Additional points (max. 30) can be claimed if: <ul style="list-style-type: none"> <li>• Work experience is from New Zealand – 10 points</li> <li>• Work experience in an identified future growth area – 10 points</li> <li>• Work experience in an area of absolute skills shortage – 10 points</li> </ul>	60
Offer of employment		Max. points
Canada	Permanent job offer from a Canadian employer, approved by the Canadian Government Department of Human Resources and Skills Development Canada (HRSDC) – 10 points <ul style="list-style-type: none"> <li>• Additional 5 points are awarded under adaptability.</li> </ul>	10
Quebec	Maximum 10 points are awarded under the Quebec Immigration Assured Job program for job offers outside the metropolitan area of Montreal. <ul style="list-style-type: none"> <li>• 6 points are awarded for validated job offers within the metropolitan area of Montreal.</li> </ul>	10
Australia	Points are awarded for the occupations that are in demand in Australia and are on the Migration Occupations in Demand List (MODL). Extra points are awarded if an applicant has a job offer for the occupation in demand.	20
New Zealand	<ul style="list-style-type: none"> <li>• Offer of skilled employment in New Zealand- 50 points OR (Current skilled employment in New Zealand for less than 12 months – 50 points, Current skilled employment in New Zealand for 12 months or more – 60 points)</li> </ul>	60
Age		Max. points
Canada	<ul style="list-style-type: none"> <li>• 21 and 49 years – 10 points</li> <li>• Two points are deducted for each year from 20 to 17, and 50 to 53 inclusive</li> </ul>	10
Quebec	<ul style="list-style-type: none"> <li>• 18 to 35 – 16 points</li> <li>• Two points are deducted for each year after 35 to 42</li> <li>• Over 42 – 0 points</li> </ul>	16
Australia	<ul style="list-style-type: none"> <li>• 18 and 29 years – 30 points</li> <li>• 30-34 years- 25 points</li> <li>• 35-39 years- 20 points</li> <li>• 40-44 years- 15 points</li> </ul>	30
New Zealand	<ul style="list-style-type: none"> <li>• 20 to 29 - 30 points</li> <li>• 30 to 39 - 25 points</li> <li>• 40 to 44 – 20 points</li> <li>• 45 to 49 – 10 points</li> <li>• 50 to 55 - 5 points</li> </ul>	30

Country/ Region	Description	Max. points
Language		
Canada	1 <sup>st</sup> language (max 16 points): <ul style="list-style-type: none"> <li>• High proficiency - 4 points per ability (listening, writing, reading, and speaking): max. 16 points</li> <li>• Moderate proficiency – 2 points per ability: max. 8 points</li> <li>• Basic – max. 2 points</li> </ul> 2 <sup>nd</sup> language (max 8 points): <ul style="list-style-type: none"> <li>• High proficiency - 2 points per ability (listening, writing, reading, speaking): max. 8 points</li> <li>• Moderate proficiency – 2 points per ability: max. 8 points</li> <li>• Basic – 1-2 points per ability: max. 2 points</li> </ul>	24
	<ul style="list-style-type: none"> <li>• French – 16 points</li> <li>• English – 6 points</li> </ul>	22
Australia	IELTS test results are required. Points are awarded as: <ul style="list-style-type: none"> <li>• Proficient (ability to comprehend complex language well and understand detailed reasoning)– 25 points</li> <li>• Competent (ability to use and understand fairly complex language, especially where used in a familiar situation)-15 points</li> <li>• Vocational (a reasonable command of English, coping with overall meaning of the language in the most situations)-15 points</li> </ul> Test results are not required for those who hold a passport from UK, USA, Canada, New Zealand, and Republic of Ireland.	25
New Zealand	NO points are awarded for language. It is a minimum requirement.	n/a
Education		
Canada	<ul style="list-style-type: none"> <li>• PhD, or Master's, AND at least 17 years of full-time or full-time equivalent study - 25 points</li> <li>• Two or more university degrees at the Bachelor's level AND at least 15 years of full-time or full-time equivalent study- 22 points</li> <li>• A two-year university degree at the Bachelor's level AND at least 14 years of full-time or full-time equivalent study - 20 points</li> <li>• A one-year university degree at the Bachelor's level AND at least 13 years of full-time or full-time equivalent study - 15 points</li> <li>• A three-year diploma, trade certificate or apprenticeship AND at least 15 years of full-time or full-time equivalent study - 22 points</li> <li>• A two-year diploma, trade certificate or apprenticeship AND at least 14 years of full-time or full-time equivalent study - 20 points</li> <li>• A one-year diploma, trade certificate or apprenticeship AND at least 13 years of full-time or full-time equivalent study - 15 points</li> <li>• A one-year diploma, trade certificate or apprenticeship AND at least 12 years of full-time or full-time equivalent study - 12 points</li> <li>• Secondary School Educational Credential - 5 points</li> </ul>	n/a
	Maximum of 28 points are awarded for education: <ul style="list-style-type: none"> <li>• High School- 2 points</li> <li>• Vocational – 6 points</li> <li>• Post secondary – 4 points</li> <li>• Community College (1 or 2 yr) – 6 points</li> <li>• Vocational School (1yr) / or Community College (1yr or 2yr) AND field training to 12 pts or 16pts – 10 points</li> <li>• Community College 3yr – 8 points</li> <li>• Community College 3yr AND Field Training to 12 pts or 16pts</li> <li>• Undergrad 1yr – 4 points</li> <li>• Undergrad 2yrs – 6 points</li> <li>• Undergrad 3yrs or more – 10 points</li> <li>• Post graduate – 12 points</li> </ul> Additional points are awarded for Field Training: Item in part I / (Foreign certificate) or in part II (Certificate from Quebec or equivalent) from the list. - 0, 2, 6, 12, or 16 pts	25

Country/ Region	Description	
Australia	Education is assessed as part of skill level: <ul style="list-style-type: none"> <li>For most occupations where training is specific to the occupation (60 points). Must have earned a qualification equal to an Australian Bachelor degree or higher, but not necessarily related to the nominated occupation.</li> <li>For other general skilled occupation (40 points). Must have a qualification equal to an Australian diploma or advanced diploma but not necessarily related to the nominated occupation.</li> </ul>	60
New Zealand	If qualification(s) are not in the List of Qualifications Exempt from Assessment, or the List of Qualifications Recognized as an Exception, applicants must have their qualifications recognized by the New Zealand Qualifications Authority (NZQA). The points are awarded as follows: <ul style="list-style-type: none"> <li>Recognized undergraduate qualification - 50 points</li> <li>Recognized postgraduate qualification – 55 points</li> </ul>	65
Other criteria (adaptability)		Max. points
Canada	Up to 10 points are awarded for: <ul style="list-style-type: none"> <li>Spouse's or common-law partner's education: 3-5 points</li> <li>Minimum one year of full-time authorized work in Canada: 5 points</li> <li>Minimum two years of full-time authorized post-secondary study in Canada: 5 points</li> <li>Points received under the Arranged Employment Factor: 5 points</li> <li>Family relationship in Canada: 5 points</li> </ul>	10
Quebec	<ul style="list-style-type: none"> <li>Characteristics of a spouse/partner (Max. 16 points): <ul style="list-style-type: none"> <li>Level of education - 1 to 3 points</li> <li>Diploma/Degree (Foreign, equivalent, on the list) - 1 to 4</li> <li>Age: 18-35, 36-39, 40-42: 3, 2, 1 points respectively</li> </ul> </li> <li>Children (Max. 8): under 12 years of age – 4 points per child: 12 -21 – 2 points per child</li> <li>Financial autonomy: 1 point</li> <li>Adaptability (Max. 6): Personal qualities, Motivation, Knowledge of the province of Quebec</li> <li>Visit to and ties with Quebec (Max. 8 points): <ul style="list-style-type: none"> <li>Previous visits to study or other visits (max. 5 points)</li> <li>Family in Quebec (3 points)</li> </ul> </li> </ul>	39
Australia	<ul style="list-style-type: none"> <li>Australian Qualifications (Max. 25 points): applicant has completed a qualification from an Australian educational institution with max point for Doctorate degree.</li> <li>Spouse skills (5 points): a spouse has the basic requirements of less than 45 years of age, English language ability, a skilled occupation with 12 out of 24 months recent work experience, and suitable skills-assessment from the relevant assessing authority.</li> <li>Australian Work Experience (5 points)</li> <li>Language Skills in one of Australia's designated community languages (5 points).</li> <li>Regional Study in a "regional Australia/low population growth metropolitan area" in Australia. (5 Points).</li> <li>Sponsored Category, if an applicant is being sponsored by an Australian state or territory government (10 points) (applicants who are sponsored have a set pass mark at 100).</li> </ul>	55
New Zealand	<ul style="list-style-type: none"> <li>Close family member in new Zealand (10 points):</li> <li>Spouse/partner has a job offer – 20 points</li> <li>Bonus points for qualifications such as study in New Zealand, (max. 20)</li> </ul>	50

## **Appendix D: IMDB REGRESSION RESULTS—IMPACT OF THE SELECTION REGIME AND SELECTION FACTORS ON FSWS EMPLOYMENT EARNINGS**

### **Assessing the impact of IRPA**

Given the unique circumstances of having immigrants selected under both policy regimes entering Canada at the same time, the impacts of the IRPA selection system relative to the pre-IRPA points system was estimated by taking the mean differences in outcomes experienced by IRPA and pre-IRPA arrival cohorts. For example, in the case of employment earnings – the key outcome measure available in the IMDB data – for the 2002 arrival cohort we took differences in mean earnings in 2003 to 2006. The arrival year 2002 was omitted as immigrants arrived at various points in time during the year so the annual earnings reported for income tax purposes constitute earnings over part of the year. The portion of the year worked is not available from tax data. Similarly, for the 2003 arrival cohort we took differences in mean earnings in 2004 to 2006. Regressions were also ran taking differences in log earnings as this gives a measure of the percentage difference in earnings between immigrants selected under the IRPA and pre-IRPA selection systems.

Note that in comparing earnings of these two groups we did not control for observed characteristics such as age, education, work experience and language proficiency. The reason is that a central objective of the new IRPA policy was to select immigrants with different observable characteristics than those who would be selected under the previous policy regime. If we would have controlled for these observed characteristics, we would have eliminated this potential source of difference in immigrant outcomes. Indeed, if the only difference between the pre-IRPA and IRPA selection systems consists of choosing immigrants with different observed characteristics, controlling for these characteristics would completely eliminate the impact of the policy change.<sup>50</sup> Note also that it was not appropriate to control for observed characteristics that may influence immigrant outcomes but that are not taken into account in the points system -- such as country of origin. To the extent that the source country composition of immigrants admitted under IRPA differs from that associated with pre-IRPA, this difference is part of the IRPA “treatment.” Controlling for this feature would have eliminated this potential source of differences in immigrant outcomes.

Based on that design, linear regressions were estimated to assess the impact of the IRPA selection regimes on FSWs outcomes. To do so, FSWs who were assessed under both regimes simultaneously (dual assessed cases) were excluded, as it was impossible to know under which of the two selection systems they were selected. Therefore, regressions were made only on pre-IRPA and IRPA cases.

The dependent variable for this first step of the analysis is employment earnings. Pooled data was used, so one individual can contribute as many times to the analysis as they have filed a tax form reporting employment earnings of \$1,000 and above between 2002 and 2006. All the observations on the landing year were excluded from the regression, as this year might not represent a full year for everyone depending on when they landed during the year (i.e.: FSWs who landed in 2002 for the 2002 tax year, who landed in 2003 for the 2003 tax year were excluded, etc.).

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<sup>50</sup> It is also possible that the IRPA selection system results in immigrants with different unobserved characteristics (such as ambition, perseverance or motivation). Such unobserved characteristics may also influence immigrant outcomes.

## Appendix D-1: Linear regression for employment earnings (excluding landing year)

	Model 1		Model 2	
	Coefficient	Sig.	Coefficient	Sig.
Intercept	34,665	***	34,665	***
Cohort 2002, tax year 2003	-8,933	***	-8,933	***
Cohort 2002, tax year 2004	-3,185	***	-3,185	***
Cohort 2002, tax year 2005	1,597	***	1,597	***
Cohort 2002, tax year 2006	6,946	***	6,967	***
Cohort 2003, tax year 2004	-10,365	***	-10,365	***
Cohort 2003, tax year 2005	-4,069	***	-4,069	***
Cohort 2003, tax year 2006	1,841	***	1,841	***
Cohort 2004, tax year 2005	-10,380	***	-10,380	***
Cohort 2004, tax year 2006	-3,331	***	-3,331	***
<i>(reference: Cohort 2005, tax year 2006)</i>				
Cohort 2002, tax year 2003 * IRPA	14,877	***	-3,001	
Cohort 2002, tax year 2004 * IRPA	17,301	***	-1,991	
Cohort 2002, tax year 2005 * IRPA	17,058	***	-4,011	
Cohort 2002, tax year 2006 * IRPA	17,182	***	-6,904	
Cohort 2003, tax year 2004 * IRPA	9,739	***	4,335	***
Cohort 2003, tax year 2005 * IRPA	10,005	***	1,298	
Cohort 2003, tax year 2006 * IRPA	9,654	***	340	***
Cohort 2004, tax year 2005 * IRPA	15,783	***	7,387	***
Cohort 2004, tax year 2006 * IRPA	16,162	***	6,384	***
Cohort 2002, tax year 2003 * Gender			22,701	***
Cohort 2002, tax year 2004 * Gender			24,903	***
Cohort 2002, tax year 2005 * Gender			27,127	***
Cohort 2002, tax year 2006 * Gender			31,297	***
Cohort 2003, tax year 2004 * Gender			7,680	***
Cohort 2003, tax year 2005 * Gender			12,726	***
Cohort 2003, tax year 2006 * Gender			14,538	***
Cohort 2004, tax year 2005 * Gender			11,918	***
Cohort 2004, tax year 2006 * Gender			14,003	***
n	199,190		199,190	
df	18		27	
F	612.91	***	446.57	***
r2	0.052		0.057	

\*p<0.05

\*\*p<0.01

\*\*\*p<0.001

## Appendix D-2: Linear regression for the log of employment earnings (excluding landing year)

	Model 1		Model 2	
	Coefficient	Sig.	Coefficient	Sig.
Intercept	10.013	***	10.013	***
Cohort 2002, tax year 2003	-0.224	***	-0.224	***
Cohort 2002, tax year 2004	-0.013		-0.013	
Cohort 2002, tax year 2005	0.143	***	0.014	***
Cohort 2002, tax year 2006	0.304	***	0.304	***
Cohort 2003, tax year 2004	-0.293	***	-0.293	***
Cohort 2003, tax year 2005	-0.058	***	-0.058	***
Cohort 2003, tax year 2006	0.144	***	0.144	***
Cohort 2004, tax year 2005	-0.299	***	-0.299	***
Cohort 2004, tax year 2006	-0.047	***	-0.047	***
<i>(reference: Cohort 2005, tax year 2006)</i>				
Cohort 2002, tax year 2003 * IRPA	0.036	***	-0.189	
Cohort 2002, tax year 2004 * IRPA	0.398	***	-0.072	
Cohort 2002, tax year 2005 * IRPA	0.347	***	-0.092	
Cohort 2002, tax year 2006 * IRPA	0.393	***	-0.162	
Cohort 2003, tax year 2004 * IRPA	0.267	***	0.119	**
Cohort 2003, tax year 2005 * IRPA	0.249	***	0.025	
Cohort 2003, tax year 2006 * IRPA	0.212	***	-0.011	***
Cohort 2004, tax year 2005 * IRPA	0.462	***	0.237	***
Cohort 2004, tax year 2006 * IRPA	0.435	***	0.196	***
Cohort 2002, tax year 2003 * Gender			0.697	***
Cohort 2002, tax year 2004 * Gender			0.608	***
Cohort 2002, tax year 2005 * Gender			0.566	***
Cohort 2002, tax year 2006 * Gender			0.722	***
Cohort 2003, tax year 2004 * Gender			0.210	***
Cohort 2003, tax year 2005 * Gender			0.328	***
Cohort 2003, tax year 2006 * Gender			0.324	***
Cohort 2004, tax year 2005 * Gender			0.319	***
Cohort 2004, tax year 2006 * Gender			0.342	***
n	199,190		199,190	
df	18		27	
F	507.41	***	357.26	***
r2	0.043		0.046	

\*p<0.05

\*\*p<0.01

\*\*\*p<0.001

## Assessing the impact of selection factors

The IMDB data was also used to investigate the factors that account for successful integration into the Canadian labour market. This was done by estimating the relationship between individual earnings and individual and demographic characteristics that influence earnings. The following regression models focus on how the different factors from the selection grid impact on the employment earnings of FSWs. Again, dual assessed cases were excluded from the analysis as it was impossible to determine under which selection grid they qualified for immigration.

As the factors included in the selection grid and the weight assigned to them changed with the introduction of IRPA, equations will be estimated separately using data from the two regimes. The dependent variable for the analysis is the log of employment earnings in 2006. For the purpose of this analysis, the 2006 arrival cohort was excluded as these observations might not have contributed for a full year. In addition, in order to cover the same observation period for both selection regimes, pre-IRPA cases were considered only if they landed in 2002 or after (2002-2005 cohorts). However, it is important to note that not many IRPA cases arrived in 2002, as most of the cohort for that year was composed of pre-IRPA FSWs. Therefore, for 2002, the repartition of the sample between the two regimes was not balanced.



**Appendix D-3: Linear regression for log of employment earnings in tax year 2006 (excluding the 2006 cohort) – IRPA cases**

	Model 1		Model 2		Model 3	
	Coefficient	Sig.	Coefficient	Sig.	Coefficient	Sig.
Intercept	8,681	***	9,634	***	9,372	***
Years since landing	0.395	***	0.397	***	0.310	***
Years since landing - squared	-0.050	*	-0.057	**	-0.040	
Gender (Ref. Women)	0.295	***	0.272	***	0.227	***
Age at landing (Ref. 50 years and older)						
Less than 30 years old	0.210	***	0.313	***	0.279	***
30 to 34 years old	0.179	***	0.264	***	0.234	***
35 to 39 years old	0.148	**	0.220	***	0.214	***
40 to 44 years old	0.122	*	0.713	***	0.150	**
45 to 49 years old	0.097		0.139	**	0.144	**
Education points (Ref. 0 to 15 points)						
20 points	0.131	**	0.183	***	0.142	***
22 points	0.091	*	0.115	**	0.094	*
25 points	0.107	**	0.195	***	0.174	***
Language points (Ref. 0 to 7 points)						
8 points	0.052		0.090		0.065	
9 to 11 points	0.100		0.123	*	0.120	*
12 points	0.227	***	0.203	***	0.195	***
13 to 15 points	0.324	***	0.265	***	0.279	***
16 points	0.501	***	0.375	***	0.385	***
17 to 19 points	0.553	***	0.367	***	0.381	***
20 points	0.554	***	0.351	***	0.391	***
21 to 23 points	0.508	***	0.308	***	0.329	***
24 points	0.484	***	0.304	***	0.339	***
Experience points (Ref. 15 points)						
17 points	0.010		0.017		0.008	
19 points	0.080		0.064		0.053	
21 points	0.171	***	0.152	***	0.141	***
Arranged employment points (Ref. 0 points)						
10 points	0.917	***	0.789	***	0.743	***
Arranged employment points * years since landing	-0.117	***	0.100	**	0.092	**
Adaptability points						
Partner's education points (Ref. 0 points)						
3 points	0.021		0.016		0.011	
4 points	-0.021		0.032		0.014	
5 points	0.092	***	0.135	***	0.121	***
Work in Canada points (Ref. 0 points)						
5 points	0.320	***	0.294	***	0.274	***
Study in Canada points (Ref. 0 points)						
5 points	-0.162	***	0.061	*	0.061	*
Relatives in Canada points (Ref. 0 points)						
5 points	-0.081	***	0.099	***	0.080	***

Province of residence in 2006 (Ref. Ontario)			
Atlantic	-0.002	-0.056	-0.084
Quebec	-0.431 ***	-0.370 ***	-0.380 ***
Manitoba and Saskatchewan	-0.040	-0.026	-0.036
Alberta	0.155 ***	0.131 ***	0.145 ***
British Columbia	-0.053 **	-0.068 ***	0.047 *
Country/region of last permanent residence (Ref. United Kingdom)			
North America		-0.041	0.023
Central America, South America, Caribbean and Bermuda		-0.234 ***	-0.237 ***
Other Western and Northern Europe		-0.123 **	-0.108 **
Eastern and Southern Europe		-0.399 ***	-0.396 ***
Western, Eastern, Central and Southern Africa		-0.276 ***	-0.241 ***
Northern Africa and West Central Asia and Middle East		-0.438 ***	-0.414 ***
China		-0.726 ***	-0.749 ***
Other Eastern and South-east Asia		-0.412 ***	-0.401 ***
India		-0.310 ***	-0.314 ***
Pakistan		-0.510 ***	-0.556 ***
Other South Asia		-0.680 ***	-0.678 ***
Oceania		-0.115 *	-0.101
NOC - skill type (Ref. Professional occupations in natural science and applied sciences (21))			
Business, finance and administration occupations, and senior management occupations (00, 01, 11, 12, 14)			0.091 ***
Other natural and applied sciences and related occupations (02, 22)			-0.038
Health occupations (03, 31, 32, 34)			-0.198 ***
Occupations in social science, education, government service and religion (04, 41, 42)			-0.250 ***
Occupations in art, culture, recreation and sport (05, 51, 52)			-0.426 ***
Sales and service occupations (06, 62, 64, 66)			-0.238 ***
Trades, transport and equipment operators and related occupations (07, 72, 72, 74, 76),			-0.130 ***
Occupations unique to primary industry (08, 82, 84, 86),			
Occupations unique to processing, manufacturing and utilities (09, 92, 94, 96)			
n	13,490	13,490	12,205
df	36	48	55
F	89.54 ***	82.48 ***	73.97 ***
r2	0.1993	0.2276	0.2509

\*p<0.05

\*\*p<0.01

\*\*\*p<0.001

**Appendix D-4: Linear regression for log of employment earnings in tax year 2006 (excluding the 2006 cohort) – pre-IRPA cases**

	Model 1		Model 2		Model 3	
	Coefficient	Sig.	Coefficient	Sig.	Coefficient	Sig.
Intercept	8,745	***	9.129	***	9.225	***
Years since landing	0.452	***	0.376	***	0.361	***
Years since landing - squared	-0.046	***	-0.036	***	-0.037	***
Gender (Ref. Women)	0.246	***	0.238	***	0.222	***
Age at landing (Ref. 50 years and older)						
Less than 30 years old	0.134	***	0.233	***	0.229	***
30 to 34 years old	0.155	***	0.236	***	0.236	***
35 to 39 years old	0.132	***	0.201	***	0.198	***
40 to 44 years old	0.079	*	0.109	**	0.104	**
45 to 49 years old	0.014		0.032		0.020	
Education points (Ref. 0 to 13 points)						
15 points	0.064	***	0.045	***	0.065	***
16 points	0.104	***	0.099	***	0.121	***
Language points (Ref. 0 to 5 points)						
6 points	-0.103	***	-0.031		-0.036	
7 to 8 points	-0.074	**	0.037		0.035	
9 points	0.209	***	0.209	***	0.213	***
10 to 14 points	0.223	***	0.130	***	0.149	***
15 points	0.295	***	0.154	***	0.167	***
Specific vocational preparation (Ref. 0 to 13 points)						
15 points	0.110	***	0.151	***	0.111	***
17 points	0.034		0.095	***	0.071	*
18 points	0.048		0.050		0.106	**
Occupation (Ref. 0 to 1 point)						
2 to 4 points	0.007		0.020		0.034	
5 to 8 points	0.125	***	0.143	***	0.121	***
10 points	0.057	***	0.100	***	0.099	***
Experience points (Ref. 0 to 2 points)						
4 points	-0.044	*	-0.024		-0.022	
6 points	-0.019		0.011		0.008	
8 points	-0.083	***	0.004		-0.008	
Arranged employment points (Ref. 0 points)						
10 points	0.848	***	0.684	***	0.633	***
Arranged employment points * years since landing	-0.154	**	0.147	**	-0.128	**
Personal suitability (Ref. 0 points)						
1 to 4 points	-0.276	***	-0.253	***	-0.234	***
5 points	-0.181	***	-0.198	***	-0.188	***
6 points	-0.095	***	-0.125	***	-0.116	***
7 points	-0.041	**	-0.113	***	-0.103	***
8 points and more	0.014		-0.076	***	-0.067	***
Relatives in Canada points (Ref. less than 5 points)						
5 points and more	-0.039	***	-0.048	***	-0.051	***

Province of residence in 2006 (Ref. Ontario)			
Atlantic	0.110 *	0.077	0.074
Quebec	-0.484 ***	-0.402 ***	-0.420 ***
Manitoba and Saskatchewan	-0.033	-0.042	-0.050
Alberta	0.268 ***	0.266 ***	0.261 ***
British Columbia	-0.119 ***	-0.092 ***	-0.087 ***
Country/region of last permanent residence (Ref. United Kingdom)			
North America		0.072	0.086
Central America, South America, Caribbean and Bermuda		-0.063	-0.056
Other Western and Northern Europe		-0.085 *	-0.066
Eastern and Southern Europe		-0.175 ***	-0.174 ***
Western, Eastern, Central and Southern Africa		-0.119 ***	-0.104 **
Northern Africa and West Central Asia and Middle East		-0.435 ***	-0.415 ***
China		-0.672 ***	-0.657 ***
Other Eastern and South-east Asia		-0.347 ***	-0.353 ***
India		-0.318 ***	-0.313 ***
Pakistan		-0.645 ***	-0.637 ***
Other South Asia		-0.482 ***	-0.477 ***
Oceania		-0.051	-0.047
NOC - skill type (Ref. Professional occupations in natural science and applied sciences (21))			
Business, finance and administration occupations, and senior management occupations (00, 01, 11, 12, 14)			-0.012
Other natural and applied sciences and related occupations (02, 22)			0.089 ***
Health occupations (03, 31, 32, 34)			-0.062 **
Occupations in social science, education, government service and religion (04, 41, 42)			-0.082 ***
Occupations in art, culture, recreation and sport (05, 51, 52)			-0.234 ***
Sales and service occupations (06, 62, 64, 66)			-0.099 ***
Trades, transport and equipment operators and related occupations (07, 72, 72, 74, 76),			0.085 **
Occupations unique to primary industry (08, 82, 84, 86),			
Occupations unique to processing, manufacturing and utilities (09, 92, 94, 96)			
n	55,215	55,200	54,005
df	37	49	56
F	182.80 ***	196.31 ***	170.83 ***
r2	0.1092	0.1485	0.1506
*p<0.05			
**p<0.01			
***p<0.001			

## GLOSSARY OF ACRONYMS

AEO – Arranged Employment Offer  
CAIPS – Computer Assisted Immigration Processing System  
CADGEDC – *China Academic Degrees and Graduate Education Development Center*  
CBA – Canadian Bar Association  
CEC – Canadian Experience Class  
CIC – Citizenship and Immigration Canada  
CSIC – Canadian Society of Immigration Consultants  
CVOA – Canadian Visa Office Abroad  
CVOS – Canadian Visa Office Staff  
FSW(s) – Federal Skilled Workers  
FSWP – Federal Skilled Worker Program  
FOSS – Field Operations Support System  
GCMS – Global Case Management System  
HQ – Headquarters  
HRSDC – Human Resources and Skills Development Canada  
IA – *Immigration Act*  
IELTS – International English Language Testing System  
IMDB – Immigration Database  
IRPA – *Immigration and Refugee Protection Act*  
NARIC – *National Recognition Information Centre for the United Kingdom*  
NOC – National Occupation Classification  
PA- Principal Applicant  
PNs – Provincial Nominees  
PNP – Provincial Nominee Program  
PR – Provincial Representatives  
RPP – Report on Plans and Priorities  
PRTD –Permanent Resident Temporary Document  
QSW – Quebec Skilled Worker