Immigration to Atlantic Canada. Toward a Prosperous Future
Preface

Immigration matters more to Atlantic Canada’s prosperity than ever before. This report provides an overview of the Atlantic region’s demographic and economic trends and need for immigrants, its immigration strengths and challenges, and the new Atlantic Immigration Pilot. It concludes with suggestions in four areas to support the region’s immigrant attraction and retention efforts.


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Acknowledgements

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The National Immigration Centre

The Conference Board of Canada’s National Immigration Centre is a major, research-intensive initiative that examines the immigration challenges and opportunities facing Canada today. Meeting the challenges and benefiting from immigration requires a multi-year effort that brings together many stakeholders and leads to concerted action. The Centre is studying the short-, medium-, and long-term impacts of Canada’s immigration policies, programs, and practices in light of the needs and objectives of governments, employers, communities, and immigrants. Through independent, evidence-based, objective research and analysis, the Centre is making recommendations for action to help improve Canada’s immigration system.

The National Immigration Centre’s goals are to:

• build a strong empirical base and foster dialogue among stakeholders to generate common understanding, shared purpose, and collaborative action;
• raise public awareness of the nature and importance of immigration to Canada’s economy, society, and culture;
• track and report on the immigration system’s performance in achieving Canada’s economic, social, and cultural goals.

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EXECUTIVE SUMMARY

Immigration to Atlantic Canada: Toward a Prosperous Future

At a Glance

• As part of its efforts to improve the region’s demographic and economic standing, Atlantic Canada is seeking to attract and retain more immigrants.

• We explain the demographic and economic need for immigration in the region and provide an overview of Atlantic Canada’s immigration trends, strengths, and challenges.

• In addition, we offer early thoughts on the new Atlantic Immigration Pilot, which launched in March 2017, and policy suggestions in four areas to support Atlantic Canada’s immigrant attraction and retention efforts.
Due to Atlantic Canada’s demographic and economic circumstances, immigration matters more to the region than ever before. The region’s natural rate of increase (the number of births less deaths) turned negative in 2014. Thus, based on current trends, we forecast that Atlantic Canada’s population growth will remain flat through to 2035, even with a modest pickup in immigration. Even more concerning is that the growing wave of retiring baby boomers suggests that Atlantic Canada’s workforce will decline sharply between now and 2035.

These trends could place tremendous strain on Atlantic Canada’s economy unless prudent policy measures are taken to alleviate their negative effects. A declining workforce may result in slowing growth in demand for goods and services, and government revenues, even as the costs of delivering health care to a rapidly aging population rise. This could result in a vicious cycle—soft demand leading to soft business investment and weak employment growth—that has negative consequences for the region’s economy and society.

Report Purpose

Immigration is one policy lever that can help improve the region’s demographic and economic trajectory. This report evaluates why the Atlantic provinces need immigrants, the region’s immigration trends and issues, and the new Atlantic Immigration Pilot, and offers suggestions to support improvements to the region’s immigrant attraction and retention efforts.

The Need for Immigration in Atlantic Canada

A society’s demographic evolution—its changing age structure and population size—is arguably the most important factor that affects its
long-term economic performance. While population aging is a reality across Canada, it is significantly more pronounced in the Atlantic region. In 2016, 19.5 per cent of Atlantic Canada's population was aged 65 and over, compared with the national average of 16.5 per cent. Moreover, the number of deaths exceeds births in all four Atlantic provinces—the only jurisdictions in Canada to hold this unfortunate distinction. Weak business investment and high unemployment rates in some parts of the region are also leading to high rates of outmigration. These factors are placing downward pressures on the size of the region's population and labour force, which may have dire economic, social, and political consequences. A smaller population could lead to weaker economic growth; difficulties for provincial governments in covering social expenditures; the decline of communities, particularly in rural settings; and a smaller voice for the region at the federal level.

As such, the Atlantic provinces are responding by seeking to develop the skills of their own citizens, including those under-represented in the labour market; repatriate their citizens who have moved elsewhere in Canada; attract foreign direct investment; and encourage innovation and entrepreneurship. They are also looking to attract and retain more newcomers. While immigration is not a panacea to overcoming the Atlantic region's challenges, it is an important piece of a multi-faceted approach toward a prosperous future for the region.

Immigration Trends and Issues

The Atlantic region has the smallest immigrant population and fewest number of newcomer arrivals among Canada's provinces. But immigration to the region is on the rise, particularly in its largest cities, where 80 per cent of newcomers to Atlantic Canada settle. In 2016, the Atlantic provinces welcomed 13,665 immigrants—nearly five times the number that arrived in the region in 1999. And immigration is poised to rise even further, thanks to the March 2017 launch of the Atlantic Immigration Pilot.

As stakeholders look to boost immigration in the region, it is incumbent upon them to understand Atlantic Canada's immigration strengths and challenges. Some of the region's largest cities have strong economies
and significant immigrant populations. Moreover, the region's immigrant unemployment rates and wage gaps (compared with Canadian-born workers) are low, wages are nationally competitive, and immigrant “stayers” tend to earn more than “leavers.” But one probable cause of leaving the region is the inability of immigrants and/or their spouses to find work that aligns with their skill set.

A significant immigration disadvantage in the region is its small diaspora communities, which may result in a less appealing social environment for newcomers. Anecdotally, perceived challenges include the region's residents not being as welcoming to newcomers as they could be and the provinces selecting immigrants unlikely to remain in Atlantic Canada.

The Atlantic Immigration Pilot

The Atlantic Immigration Pilot (AIP) is a federal program dedicated to increasing immigration in the region. The three-year pilot will provide permanent residence to a maximum of 2,000 principal applicants under the economic class (plus their dependants) in 2017. While it is too early to judge the AIP’s performance, much of its success will depend upon federal and provincial governments and immigrant settlement service provider organizations addressing the needs of employers—the most formative actors in the AIP process—and employers doing their part to settle and integrate immigrants. Ongoing monitoring and dialogue will help foster improvements to the AIP over its three-year duration.

Four Areas of Improvement

We offer immigration policy suggestions in four areas:

• raising public and employer awareness about immigration’s benefits to Atlantic Canada;
• promoting life in Atlantic Canada to prospective immigrants to highlight why they should settle in the region rather than in other parts of the country;
• attracting immigrants who are most likely to stay in Atlantic Canada;
• prioritizing temporary residents by addressing the challenges that may hinder their transition to permanent residence.
The Atlantic provinces would benefit from raising public and employer intercultural awareness and understanding of immigration's value to the region. According to some of this report’s interviewees, a segment of the region's population is apprehensive about immigration, while employers lack experience in effectively integrating immigrants into the workplace.

Doing more to promote the Atlantic provinces to prospective immigrants will help to raise the region's profile; create more awareness about the benefits of living in Atlantic Canada compared with other Canadian destinations; and dispel common myths, such as the notion that all of Atlantic Canada’s economy is depressed.

By drawing on their growing immigration experiences, the Atlantic provinces can tailor their approach to immigrant selection to draw those most likely to remain in the region. This can be done by striking a balance between the selection of high- and semi-skilled immigrants, leveraging communities and families, focusing on specific source countries, and establishing retention benchmarks to measure success.

Finally, there is a broad consensus that the Atlantic provinces should provide more permanent residence pathways for international students and foreign workers. To improve such efforts, stakeholders need to help international students find permanent employment in their fields upon graduation. The federal government and provinces should also look to improve access to settlement services for international students and foreign workers.
CHAPTER 1

Introduction

Chapter Summary

- Immigration matters more to Atlantic Canada than ever before due to its demographic and economic circumstances.

- This report focuses on immigration as a key policy lever that can help support Atlantic Canada’s prosperity.

- We highlight the Atlantic region’s need for immigration, offer early thoughts on the Atlantic Immigration Pilot, and provide policy suggestions to support the region’s immigration efforts.
As part of their multi-pronged efforts to improve Atlantic Canada’s demographic and economic trajectory, the three levels of government are turning toward immigration.

For instance, one of the five pillars of the Atlantic Growth Strategy, launched by the federal government and Atlantic provinces in July 2016, is “skilled workforce/immigration,” which comprises making the region a more attractive destination for newcomers. This pillar resulted in the launch of the Atlantic Immigration Pilot (AIP) in March 2017, a three-year employer-driven initiative dedicated to strengthening the region’s population size and economy. In addition, the Atlantic provinces and various municipalities have population growth and/or immigration strategies in place. The Council of Atlantic Premiers, as another example, collaborates to identify and share best practices on immigrant attraction and retention.

Report Overview

This report focuses on immigration as a key policy lever that can help foster demographic and economic growth in Atlantic Canada. In addition to our literature and data analysis, we draw from the findings of 22 interviews conducted between April and June 2017. Five respondents were from Newfoundland and Labrador, three were from P.E.I., five were from New Brunswick, and seven were from Nova Scotia. Two interviews were with four federal officials. Respondents included officials from the three levels of government, the immigrant settlement sector, business groups (chambers of commerce and boards of trade), and the post-secondary education sector. Interviewees were informed that their remarks would not be attributed to encourage them to speak candidly.

In Chapter 2, we provide an overview of Atlantic Canada’s demographic and economic conditions to highlight the growing importance of immigration to the region’s prosperity. In Chapter 3, we analyze Atlantic
Canada’s recent immigration statistics and provide insights on the region's immigration strengths and challenges. Chapter 4 offers early thoughts on the new Atlantic Immigration Pilot, while Chapter 5 outlines policy suggestions in support of the region's ongoing immigration efforts. Chapter 6 provides concluding remarks.
CHAPTER 2
The Atlantic Immigration Imperative

Chapter Summary

- Population aging, a low birth rate, and outmigration are placing downward pressures on the size of the Atlantic region’s population.

- A smaller labour force may constrain economic growth and lead to declining government revenues even as health care costs rise.

- While immigration is not a panacea, it is an important piece of a multi-faceted approach to strengthen the region’s economic and political standing.
In this chapter, we look at the factors that influence economic growth. As we shall see, these include the age structure and size of a population, its birth and death rate, and migration patterns, as well as productivity levels, labour supply, and capital investments. In assessing these factors, we gain a better appreciation of Atlantic Canada’s demographic and economic challenges and the role that immigration will play in helping to chart a more promising outlook for the region.

**Demography’s Double Jeopardy**

Since 2004, the Atlantic region’s economic growth has lagged the rest of Canada.¹ Despite a resource boom that has driven up employment and wages, especially in Newfoundland and Labrador, economic growth in parts of the region has been held back by a difficult demographic reality.² Atlantic Canada’s population grew by just 0.1 per cent annually from 2002–16.³ Still, even though population growth was minimal, labour force growth was substantially stronger, averaging 0.4 per cent annually over the same period. This is because the baby-boom cohort was at its peak in terms of participating in the workforce and another large cohort, Millennials, was entering its working age.

But looking ahead, much is about to change. Atlantic Canada’s natural rate of increase (the number of births less deaths) turned negative in 2014. Thus, even with a modest pickup in immigration, Atlantic Canada’s population growth is forecast by the Conference Board to remain essentially flat through to 2035. What is more concerning is that the growing wave of retiring baby boomers suggests that the size of Atlantic

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1 Statistics Canada, CANSIM table 379-0030.
2 There is some discrepancy in the demographic data used in this report due to different Government of Canada reporting methodologies. While some reports measure demographics between July 1 and June 30 of two given years, others do so between a calendar year (January 1 to December 31).
3 Statistics Canada, CANSIM table 051-0001.
Canada’s labour force could fall between now and 2035—declining by 0.3 per cent annually.

A declining workforce could put tremendous strain on the region. For businesses, this may result in soft growth in demand for their goods or services—a situation that could be further exacerbated by a lack of workers—resulting in a disincentive for private investment. And for provincial and municipal governments, this could mean softer growth in revenues, coupled with the challenges of delivering health care and other social programs to a rapidly aging population. The result may be a vicious cycle of soft growth, weak private investment, eroding public services, workers leaving the region, and softer economic growth—a cycle that is already a reality in many smaller communities in Atlantic Canada.

**Atlantic Canada Is Older Than the Rest**

While an aging demographic is a reality across Canada, it is significantly more pronounced in the Atlantic provinces. In 2016, those aged 65 and over accounted for 19.5 per cent of Atlantic Canada’s population. Nationally, the 65-and-over cohort represented 16.5 per cent of Canada’s population and by 2035 is forecast to rise to 30.9 per cent of Atlantic Canada’s 2.35 million people. Nationally, this cohort is projected to grow to 23.7 per cent of Canada’s population of 43 million in 2035. (See Chart 1.)

**Chart 1**

**Atlantic Canada’s Aging Population**

(share of population aged 65+, per cent)

<table>
<thead>
<tr>
<th>Year</th>
<th>Atlantic Canada</th>
<th>Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>19.5%</td>
<td>16.5%</td>
</tr>
<tr>
<td>2018</td>
<td>21.0%</td>
<td>16.5%</td>
</tr>
<tr>
<td>2020</td>
<td>22.5%</td>
<td>16.5%</td>
</tr>
<tr>
<td>2022</td>
<td>24.0%</td>
<td>16.5%</td>
</tr>
<tr>
<td>2024</td>
<td>25.5%</td>
<td>16.5%</td>
</tr>
<tr>
<td>2026</td>
<td>27.0%</td>
<td>16.5%</td>
</tr>
<tr>
<td>2028</td>
<td>28.5%</td>
<td>16.5%</td>
</tr>
<tr>
<td>2030</td>
<td>30.0%</td>
<td>16.5%</td>
</tr>
<tr>
<td>2032</td>
<td>31.5%</td>
<td>16.5%</td>
</tr>
<tr>
<td>2034</td>
<td>33.0%</td>
<td>16.5%</td>
</tr>
<tr>
<td>2036</td>
<td>34.5%</td>
<td>16.5%</td>
</tr>
<tr>
<td>2038</td>
<td>36.0%</td>
<td>16.5%</td>
</tr>
</tbody>
</table>

f = forecast

Sources: The Conference Board of Canada; Statistics Canada.
Describing the Generations

Canada’s fertility rate increased significantly in the years following the Second World War, peaking at roughly four children per woman in 1959 and giving rise to the “baby boom” generation. Chart 2 presents a snapshot of Atlantic Canada’s population by age in the year 2016. The baby-boom generation occupies the 51–70 age group. Although a portion of them entered retirement age some years ago, the bulk of baby boomers are still in their 50s and early 60s, which suggests that the retirement of the boomers is still in its early stages.

Chart 2
Atlantic Canada’s Population Breakdown, 2016
(number of people by age, 000s)

Source: Statistics Canada.
Afterwards, the fertility rate fell dramatically between 1966 and 1971—largely the result of the commercial introduction of the birth control pill in 1961 and the rising participation of women in the labour market. The sudden decline in the fertility rate created a relatively scarce younger cohort to follow the boomers, known as the “baby bust” or “Generation X.” As fertility rates continued their steady decline, this meant that the boomers themselves had fewer children, resulting in a relatively muted “echo boom” generation (now known as “Millennials”) born between 1972 and 1992.

Children born after 1993 are a part of Generation Z. They are a smaller generation than Millennials, as they are mostly the children of Generation Xers, which is a relatively small cohort with low fertility rates.

Natural Population Increase Turns Negative

In recent years, all four Atlantic provinces have seen the number of deaths surpass the number of births—the only jurisdictions in Canada to hold this unfortunate distinction. This situation is largely attributed to an aging baby-boom cohort and a slowdown in the number of women in their child-bearing years. The region’s fertility rate stands at 1.5 births per woman, which is well below the replacement rate of 2.1 births per woman—the rate required to maintain the population size. In addition, the number of women in their child-bearing years is expected to decline because the Generation Z cohort is noticeably smaller than the cohort of Millennials. This will likely result in a declining number of births.

Meanwhile, the aging of baby boomers will result in a rising number of deaths. These factors will continue to deteriorate the natural increase in the Atlantic region. In 2015–16, there were 1,535 more deaths than births in Atlantic Canada. By 2035, the gap is forecast to widen to 12,408. (See Chart 3.)

On the bright side, the Atlantic region’s fertility rates increased between 2003 and 2013. The fertility rate stands above the national average in Prince Edward Island. While it is the country’s smallest province, P.E.I.

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4 Statistics Canada, Annual Demographic Estimates.
5 Ibid.
has proven to be a shining light. Between 2006 and 2016, its economy grew at an average annual compound rate of 1.7 per cent, which is a full percentage point above the second-placed Atlantic province, Nova Scotia. P.E.I.’s population growth has been outpacing the rest of the Atlantic provinces throughout the 2000s, and it grew by 1.3 per cent in 2016—the region’s highest growth rate since 1976.

Migration Is Unfavourable

Atlantic Canada’s population size is also impacted by interprovincial migration and immigration. Net interprovincial migration has generally been negative in the region, although it improved slightly during Newfoundland and Labrador’s natural resource boom. (See Chart 4.) Low levels of business investment and relatively higher unemployment rates in some parts of the region are among the reasons young people are leaving in search of opportunities elsewhere. (See Chart 5.)

The Atlantic provinces, and the rest of Canada for that matter, have relied heavily on net immigration (immigration plus returning emigrants minus emigration) as a key source of population and economic growth. But while net immigration has averaged 0.7 per cent of Canada’s total population over the last 15 years—essentially contributing 0.7 per cent to growth annually—Atlantic Canada has lagged, with net immigration accounting for only 0.3 per cent of its population over the same period.
Declining Labour Force Would Constrain Economic Growth

As Atlantic Canada’s population becomes older, the region may experience declining government revenues and rising health care expenditures. The massive number of baby boomers eligible to retire is unlikely to be fully replenished by the significantly smaller number of Generation Zers entering the labour force. Consequently, Atlantic Canada’s labour force is projected to contract from some 1.22 million today to about 1.16 million in 2035—which would be around the same size as it was in the early 2000s. (See Chart 6.) This decline would limit Atlantic Canada’s potential output.
Potential output is the key component of a long-term outlook, as it measures the highest sustainable level of real GDP that an economy can attain based on its productivity, labour supply, and stock of productive capital. Between 2000 and 2010, growth in all three of these components was positive in the Atlantic region. (See Chart 7) During this period, labour contributed an average of 0.34 percentage points annually to potential output growth, but this was at a time when Atlantic Canada’s labour force was expanding. Now that the region is on the brink of higher exit and lower entry rates into the labour market, the contribution of labour to potential output growth is poised to turn negative. Unless it attracts and retains more workers (Canadians and immigrants), Atlantic Canada’s future real GDP growth will depend solely on investment in capital and productivity gains, as current trends suggest that labour will contribute negatively to potential output. If it is not able to increase its labour force, Atlantic Canada’s projected real GDP growth is on pace to remain well below 1 per cent annually—even if productivity growth improves.

Health Care Costs to Balloon
Atlantic Canada’s aging population will increase government expenditures on health care. Health care costs rise slowly over one’s lifespan, before ramping up significantly as individuals enter their later life.
years. As shown in Chart 8, the Atlantic provinces already spend more on health care on a per capita basis than the national average, with Newfoundland and Labrador spending the most in the country.

Chart 7
Components of Potential Output Growth in Atlantic Canada
(average contribution to annual growth, percentage points)

![Chart showing components of potential output growth in Atlantic Canada](chart.png)

*Labour*  *Capital*  *Productivity*

<table>
<thead>
<tr>
<th>Period</th>
<th>Labour</th>
<th>Capital</th>
<th>Productivity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000−10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11−15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16−20f</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21−25f</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>26−30f</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31−35f</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

F = forecast
Source: The Conference Board of Canada; Statistics Canada.

Chart 8
Atlantic Canada's Health Costs Are Higher Than National Average
(health expenditures, $ per capita, 2014)

![Chart showing Atlantic Canada's health costs](chart.png)

<table>
<thead>
<tr>
<th>Province</th>
<th>Health Costs, $ per capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>N.L.</td>
<td>4,000</td>
</tr>
<tr>
<td>P.E.I.</td>
<td>4,500</td>
</tr>
<tr>
<td>N.S.</td>
<td>5,000</td>
</tr>
<tr>
<td>N.B.</td>
<td>5,500</td>
</tr>
<tr>
<td>Atlantic Canada average</td>
<td>6,000</td>
</tr>
<tr>
<td>Canada</td>
<td>5,500</td>
</tr>
</tbody>
</table>

Source: Canadian Institute for Health Information.

Health care currently accounts for some 38 per cent of the Atlantic provinces' expenditures. With this figure set to rise even further, the Atlantic provinces will need to increase economic activity and

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6 Various government websites.
government revenues to cover health and other social costs and balance their budgets.

### Daunting Outlook for Rural Communities

There are two distinct and sizable populations in Atlantic Canada—rural and urban. Fifty-five per cent of Prince Edward Island’s population lives in rural centres,\(^7\) compared with 51 per cent in New Brunswick, 43 per cent in Nova Scotia, and 42 per cent in Newfoundland and Labrador. (See tables 1 and 2.)

#### Table 1

**Population Growth by Region**

<table>
<thead>
<tr>
<th></th>
<th>Newfoundland and Labrador</th>
<th>Prince Edward Island</th>
<th>Charlottetown</th>
<th>Nova Scotia</th>
<th>Halifax</th>
<th>New Brunswick</th>
<th>Moncton</th>
<th>Fredericton</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>551,792</td>
<td>174,051</td>
<td>134,557</td>
<td>909,282</td>
<td>342,966</td>
<td>738,133</td>
<td>113,495</td>
<td>78,950</td>
</tr>
<tr>
<td>2016</td>
<td>519,716</td>
<td>205,955</td>
<td>142,907</td>
<td>923,598</td>
<td>403,390</td>
<td>747,101</td>
<td>144,810</td>
<td>101,760</td>
</tr>
<tr>
<td>Change</td>
<td>−32,076</td>
<td>31,904</td>
<td>8,350</td>
<td>14,316</td>
<td>60,424</td>
<td>8,968</td>
<td>31,315</td>
<td>22,810</td>
</tr>
</tbody>
</table>

Source: Statistics Canada.

#### Table 2

**Atlantic Canada: Twice as Rural as National Average**

<table>
<thead>
<tr>
<th></th>
<th>Canada</th>
<th>Newfoundland and Labrador</th>
<th>Prince Edward Island</th>
<th>Nova Scotia</th>
<th>New Brunswick</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>22</td>
<td>43</td>
<td>56</td>
<td>45</td>
<td>51</td>
</tr>
<tr>
<td>2016</td>
<td>19</td>
<td>42</td>
<td>55</td>
<td>43</td>
<td>51</td>
</tr>
</tbody>
</table>

Source: Statistics Canada.

Lack of rural economic opportunities will continue to amplify the divergence in population growth between the region’s rural and urban communities. Between 1996 and 2016, the main cities in each Atlantic province had higher population growth rates than the provinces themselves, which demonstrates that people are choosing to live in cities—as urban centres have experienced stronger economic growth.

\(^7\) Statistics Canada defines census rural as a population outside settlements with 1,000 or more people with a population density of 400 or more inhabitants per square kilometre.
While shrinking rural communities is not a phenomenon unique to Atlantic Canada, the fact that the region remains highly rural could have stark implications. Services such as infrastructure, education, and health care are expensive enough to deliver as it is, and it will become more difficult for policy-makers to justify significant social expenditures in rural communities with declining populations. It will likely require policy-makers to explore creative solutions to fulfill their obligations, such as using technology to deliver remote health care services and education.

**Looking Ahead**

Population decline could lead to smaller federal transfers to the Atlantic provinces, such as for health care funding, and slowing growth in the domestic economy would discourage businesses from making investments in the region. In addition, a decline in Atlantic Canada’s share of the country’s population could result in it having weaker political representation in the House of Commons and, in turn, fewer members of parliament fighting for its interests in Ottawa.

Increasing Atlantic Canada’s population and labour force will be critical to boosting its economic potential, and immigrants will be the largest component of the region’s labour force growth. Today, Atlantic Canada’s population would shrink in the absence of immigration. Net immigration contributed to the slight population growth experienced in three of the Atlantic provinces between 2011 and 2016. (See Table 3.)

While the region’s current immigration levels will not be adequate to compensate for the number of baby boomers set to retire, immigration will continue to play a vital role in supplementing Atlantic Canada’s labour force size and government revenues. This will help alleviate the fiscal strain caused by population aging.

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8 Akbari, *Immigrants in Regional Labour Markets of Host Nations.*
9 Ibid.
Table 3

Canadian Provinces and Territories by Population Growth Rate

<table>
<thead>
<tr>
<th>Rank</th>
<th>Province/Territory</th>
<th>2016 Census</th>
<th>2011 Census</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Nunavut</td>
<td>35,944</td>
<td>31,906</td>
<td>12.66</td>
</tr>
<tr>
<td>2</td>
<td>Alberta</td>
<td>4,067,175</td>
<td>3,645,257</td>
<td>11.57</td>
</tr>
<tr>
<td>3</td>
<td>Saskatchewan</td>
<td>1,098,352</td>
<td>1,033,381</td>
<td>6.29</td>
</tr>
<tr>
<td>4</td>
<td>Yukon</td>
<td>35,874</td>
<td>33,897</td>
<td>5.83</td>
</tr>
<tr>
<td>5</td>
<td>Manitoba</td>
<td>1,278,365</td>
<td>1,208,268</td>
<td>5.80</td>
</tr>
<tr>
<td>6</td>
<td>British Columbia</td>
<td>4,648,055</td>
<td>4,400,057</td>
<td>5.64</td>
</tr>
<tr>
<td>7</td>
<td>Ontario</td>
<td>13,448,494</td>
<td>12,851,821</td>
<td>4.64</td>
</tr>
<tr>
<td>8</td>
<td>Quebec</td>
<td>8,164,361</td>
<td>7,903,001</td>
<td>3.31</td>
</tr>
<tr>
<td>9</td>
<td>Prince Edward Island</td>
<td>142,907</td>
<td>140,204</td>
<td>1.93</td>
</tr>
<tr>
<td>10</td>
<td>Newfoundland and Labrador</td>
<td>519,716</td>
<td>514,536</td>
<td>1.01</td>
</tr>
<tr>
<td>11</td>
<td>Northwest Territories</td>
<td>41,786</td>
<td>41,462</td>
<td>0.78</td>
</tr>
<tr>
<td>12</td>
<td>Nova Scotia</td>
<td>923,598</td>
<td>921,727</td>
<td>0.20</td>
</tr>
<tr>
<td>13</td>
<td>New Brunswick</td>
<td>747,101</td>
<td>751,171</td>
<td>−0.54</td>
</tr>
<tr>
<td>Total</td>
<td>Canada</td>
<td>35,151,728</td>
<td>33,476,688</td>
<td>5.00</td>
</tr>
</tbody>
</table>

Source: Statistics Canada.

Conclusion

The Atlantic provinces are responding to the current demographic and economic reality by seeking to develop the skills of their own citizens, including those under-represented in the labour market; repatriate their citizens who have moved elsewhere in Canada; attract foreign direct investment; and encourage innovation and entrepreneurship. Atlantic Canada is also looking to attract and retain more newcomers. While immigration is not a panacea to overcoming the region’s challenges, it is an important piece of a multi-faceted approach to strengthen the region’s demographic, economic, and political standing.
CHAPTER 3

Immigration Trends and Issues

Chapter Summary

- Newcomers as a share of the Atlantic region’s population and its immigrant retention rates lag the rest of Canada.

- But Atlantic Canada is attracting more immigrants, especially to its largest cities, and retention rates have improved.

- When choosing a settlement destination, immigrants look for employment, supports, and community.
The following analysis looks at how Atlantic Canada is fairing in terms of attracting and retaining newcomers. We look at recent immigration patterns in the region and explore the Atlantic region’s immigration strengths and challenges. In addition to evaluating its immigrant employment context, we assess the region’s social conditions to understand what causes immigrants to remain in or leave Atlantic Canada.

Current Immigration Initiatives

Stakeholders are very aware of the imperative to boost immigration in Atlantic Canada. In support of this goal, the federal government recently launched the Atlantic Immigration Pilot, which we cover in Chapter 4. Its recent Express Entry reforms are also likely to aid this cause, such as recent changes that provide Labour Market Impact Assessment\(^1\) exemptions under certain conditions and give more points under the Comprehensive Ranking System to international students, francophones, and applicants with Canadian siblings.

Provincial and municipal governments are pursuing population growth and immigration strategies that outline key benchmarks, such as the number of immigrants, francophone immigrants, and international students they are aiming to attract and retain and the steps they will take to support the integration of newcomers into the economy and society. The region’s post-secondary education sector is recruiting more international students, who could go on to become the Canadian citizens of tomorrow. Immigrant settlement service provider organizations (SPOs), business groups such as chambers of commerce and boards of trade, and other members of the community are engaging in various grassroots initiatives to welcome newcomers. These include local immigration partnerships, connector programs, and mentorship for immigrant entrepreneurs.

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\(^1\) The federal labour market test that evaluates the impact of hiring a foreign national on the labour market.
Immigration Statistics

The Atlantic region has the smallest immigrant population and fewest number of newcomer arrivals among Canada’s provinces. According to the 2011 Census, Nova Scotia had the largest immigrant population in the region (5.3 per cent), followed by P.E.I. (5.1 per cent), New Brunswick (3.9 per cent), and Newfoundland and Labrador (1.8 per cent). These shares lagged significantly behind the national proportion—in 2011, immigrants made up 20.6 per cent of Canada’s population. In 2016, P.E.I. was the only Atlantic province that received more immigrants in relation to its percentage share of Canada’s population, which underscores that the region continues to lag the rest of Canada in the number of immigrants it receives. (See Table 4.) But the picture is not entirely bleak.

### Table 4
**Immigrants as a Share of the Atlantic Region’s Population**

<table>
<thead>
<tr>
<th></th>
<th>N.L.</th>
<th>P.E.I.</th>
<th>N.S.</th>
<th>N.B.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (2016)</td>
<td>530,128</td>
<td>148,649</td>
<td>949,501</td>
<td>756,780</td>
</tr>
<tr>
<td>Immigrants as percentage of provincial population (2011)</td>
<td>1.80</td>
<td>5.20</td>
<td>5.30</td>
<td>3.90</td>
</tr>
<tr>
<td>Population as percentage share of Canada’s population (2016)</td>
<td>1.46</td>
<td>0.41</td>
<td>2.62</td>
<td>2.09</td>
</tr>
<tr>
<td>Immigrant arrivals (2016)</td>
<td>1,190</td>
<td>2,315</td>
<td>5,485</td>
<td>4,675</td>
</tr>
<tr>
<td>Province’s immigrant arrivals as percentage of all immigrant arrivals to Canada (2016)</td>
<td>0.40</td>
<td>0.78</td>
<td>1.85</td>
<td>1.58</td>
</tr>
</tbody>
</table>

Sources: Statistics Canada; Immigration, Refugees and Citizenship Canada; The Conference Board of Canada.

First, some of the region’s main cities have larger immigrant populations (as a percentage share of total residents) compared with provincial shares. This is significant, as we shall explore below, because developing a critical mass of immigrants makes it much easier to attract and retain newcomers. The 2011 Census showed that immigrants made up 8 per cent of Halifax’s population, 7.9 per cent of Charlottetown’s population, and 6.8 per cent of Fredericton’s. And given that immigration to the region is on the rise, and some 80 per cent of the region’s newcomers land in its largest cities, the immigrant populations of

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2 Statistics Canada, *Immigration and Ethnocultural Diversity in Canada*.
3 Atlantic Provinces Economic Council, *Immigration on the Rise in Atlantic Canada*. 
Atlantic Canada’s cities look poised to grow. (See Chart 9.) In 2016, the Atlantic provinces welcomed 13,665 immigrants, which was nearly five times greater than the region’s arrivals in 1999. (See Chart 10.) Nova Scotia and New Brunswick led the way, receiving 5,485 and 4,675 immigrants, respectively.

**Chart 9**

**Immigrant Arrivals by City, 2006–16**

(number)

Source: Immigration, Refugees and Citizenship Canada.

**Chart 10**

**Immigrant Arrivals by Atlantic Province and as a Share of Total Immigration to Canada, 1999–16**

(number of arrivals, left; share of total immigration, per cent, right)

Sources: Immigration, Refugees and Citizenship Canada; The Conference Board of Canada.
Overall, Atlantic Canada’s immigrant arrivals as a share of total immigration to the country have doubled to 3.1 per cent in recent years, compared with 1.5 per cent or lower prior to 2006. This figure stood at 4.6 per cent in 2016, though a major explanation for this increase is the large number of Syrian refugees who have arrived in the region since November 2015, particularly in New Brunswick, P.E.I., and Nova Scotia, which have welcomed the most Syrians per capita in Canada. (See Table 5.)

### Table 5

**Syrian Refugee Arrivals Per Capita, November 4, 2015, to March 31, 2017**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Province/territory</th>
<th>Syrian arrivals</th>
<th>Population (2016)</th>
<th>Syrian arrivals as percentage of population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>New Brunswick</td>
<td>1,700</td>
<td>756,780</td>
<td>0.225</td>
</tr>
<tr>
<td>2</td>
<td>Prince Edward Island</td>
<td>275</td>
<td>148,649</td>
<td>0.185</td>
</tr>
<tr>
<td>3</td>
<td>Nova Scotia</td>
<td>1,395</td>
<td>949,373</td>
<td>0.147</td>
</tr>
<tr>
<td>4</td>
<td>Ontario</td>
<td>19,480</td>
<td>13,982,984</td>
<td>0.139</td>
</tr>
<tr>
<td>5</td>
<td>Saskatchewan</td>
<td>1,460</td>
<td>1,150,632</td>
<td>0.127</td>
</tr>
<tr>
<td>6</td>
<td>Manitoba</td>
<td>1,615</td>
<td>1,318,128</td>
<td>0.123</td>
</tr>
<tr>
<td>7</td>
<td>Alberta</td>
<td>5,135</td>
<td>4,252,879</td>
<td>0.121</td>
</tr>
<tr>
<td>8</td>
<td>Quebec</td>
<td>8,525</td>
<td>8,326,089</td>
<td>0.102</td>
</tr>
<tr>
<td>9</td>
<td>British Columbia</td>
<td>3,725</td>
<td>4,751,612</td>
<td>0.078</td>
</tr>
<tr>
<td>10</td>
<td>Newfoundland and Labrador</td>
<td>375</td>
<td>530,128</td>
<td>0.071</td>
</tr>
<tr>
<td>11</td>
<td>Yukon</td>
<td>20</td>
<td>37,492</td>
<td>0.053</td>
</tr>
<tr>
<td>12</td>
<td>Northwest Territories</td>
<td>5</td>
<td>44,469</td>
<td>0.011</td>
</tr>
</tbody>
</table>

| Province/territory not stated | 20 | n.a. | n.a. |

**Total** | **Canada** | **43,725** | **36,286,425** | **0.120** |

Sources: Immigration, Refugees and Citizenship Canada; Statistics Canada; The Conference Board of Canada.

However, higher immigration in the region in 2016 was also due to more arrivals under the economic class. While the Syrian refugee initiative resulted in a decline in the share of economic class immigration in 2016, Nova Scotia, New Brunswick, and P.E.I. still took in a greater number of economic class immigrants compared with 2015. Moreover, economic
class arrivals in the region have increased over the 2000s, comprising some 70 per cent or more of total immigration per province. (See Table 6.)

### Table 6
**Immigrant Arrivals by Class**
(percentage distribution)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic</td>
<td>64.8</td>
<td>71.1</td>
<td>77.2</td>
<td>81.5</td>
<td>87.9</td>
<td>82.5</td>
<td>80.1</td>
<td>75.6</td>
<td>83.6</td>
<td>73.0</td>
<td>74.8</td>
</tr>
<tr>
<td>Sponsored family</td>
<td>15.8</td>
<td>11.8</td>
<td>12.3</td>
<td>9.0</td>
<td>5.4</td>
<td>8.1</td>
<td>11.4</td>
<td>15.1</td>
<td>7.3</td>
<td>9.3</td>
<td>8.1</td>
</tr>
<tr>
<td>Resettled refugee and protected person</td>
<td>19.0</td>
<td>16.6</td>
<td>10.0</td>
<td>9.5</td>
<td>6.5</td>
<td>9.3</td>
<td>8.4</td>
<td>9.1</td>
<td>8.9</td>
<td>17.6</td>
<td>17.1</td>
</tr>
<tr>
<td>All other immigration</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0</td>
<td>0.2</td>
<td>0.1</td>
<td>0.2</td>
<td>0.3</td>
<td>0.2</td>
<td>0.1</td>
<td>0</td>
</tr>
<tr>
<td><strong>Newfoundland and Labrador, and Prince Edward Island</strong>*</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Economic</td>
<td>68.6</td>
<td>70.9</td>
<td>69.0</td>
<td>69.3</td>
<td>70.0</td>
<td>66.0</td>
<td>69.4</td>
<td>66.6</td>
<td>73.2</td>
<td>73.0</td>
<td>61.7</td>
</tr>
<tr>
<td>Sponsored family</td>
<td>21.7</td>
<td>20.6</td>
<td>22.8</td>
<td>23.4</td>
<td>20.7</td>
<td>22.6</td>
<td>21.7</td>
<td>24.9</td>
<td>17.6</td>
<td>15.3</td>
<td>11.9</td>
</tr>
<tr>
<td>Resettled refugee and protected person</td>
<td>8.4</td>
<td>7.1</td>
<td>7.3</td>
<td>7.0</td>
<td>9.1</td>
<td>10.5</td>
<td>8.3</td>
<td>8.0</td>
<td>8.8</td>
<td>10.7</td>
<td>26.0</td>
</tr>
<tr>
<td>All other immigration</td>
<td>1.4</td>
<td>1.3</td>
<td>0.9</td>
<td>0.4</td>
<td>0.3</td>
<td>0.9</td>
<td>0.6</td>
<td>0.5</td>
<td>0.4</td>
<td>0.9</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Nova Scotia</strong></td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Economic</td>
<td>72.4</td>
<td>71.3</td>
<td>73.0</td>
<td>78.3</td>
<td>81.3</td>
<td>74.8</td>
<td>81.3</td>
<td>75.7</td>
<td>83.8</td>
<td>78.7</td>
<td>56.5</td>
</tr>
<tr>
<td>Sponsored family</td>
<td>16.3</td>
<td>17.6</td>
<td>17.4</td>
<td>14.7</td>
<td>11.1</td>
<td>15.9</td>
<td>11.6</td>
<td>15.9</td>
<td>8.8</td>
<td>9.2</td>
<td>7.2</td>
</tr>
<tr>
<td>Resettled refugee and protected person</td>
<td>10.8</td>
<td>10.6</td>
<td>8.9</td>
<td>6.9</td>
<td>7.4</td>
<td>9.1</td>
<td>7.0</td>
<td>8.2</td>
<td>7.0</td>
<td>11.9</td>
<td>36.0</td>
</tr>
<tr>
<td>All other immigration</td>
<td>0.5</td>
<td>0.5</td>
<td>0.7</td>
<td>0.1</td>
<td>0.2</td>
<td>0.2</td>
<td>0.1</td>
<td>0.2</td>
<td>0.3</td>
<td>0.1</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>New Brunswick</strong></td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Note: Totals may not add to 100 due to rounding.
*IRCC data groups the two provinces together
Source: Immigration, Refugees and Citizenship Canada.

This development is largely due to the introduction of the Provincial Nominee Program (PNP), with New Brunswick being the region’s first province to launch it in 1999. (See Table 7.) Since the 1990s, most of Canada’s provinces and territories (PTs) have signed bilateral immigration agreements with the federal government that allow them to develop economic class streams and nominate immigration candidates under their PNP based on their jurisdiction’s labour market needs. Once the immigration candidate has been nominated by a PT, the federal government reviews the candidate’s background for admissibility (security, criminality, and health) and ensures that the nominee has the potential to economically establish before determining whether to confer permanent residence upon them.
Since 2009, the federal government has allocated each PT a maximum number of immigration candidates it can nominate. The allocations were initially determined by the historical levels of immigration candidates each PT was nominating, which disadvantaged the Atlantic provinces since they had low levels at the time. Since 2015, their PNP allocations have increased significantly, which is critical to the Atlantic provinces given their dependence on the PNP to attract more economic class immigrants. (See Table 8.) Indeed, as Table 9 shows, the lion’s share of the region’s economic class arrivals comes through the PNP. While this is lowest in Nova Scotia, nearly all of P.E.I.’s economic class immigrants arrive under the PNP. This highlights the PNP’s importance in meeting the immigration goals of Atlantic Canada, as the region has difficulties recruiting economic class immigrants through federal programs. PNPs give an advantage to immigration candidates with ties to the region, such as those who have pre-arranged employment and/or temporary residence in the region (international students and foreign workers). This helps explain why PNPs are able to recruit more economic class immigrants to Atlantic Canada compared with federal programs.

Table 7
Federal-Provincial/Territorial (PT) Agreements Providing PT With Immigrant Selection Authority

<table>
<thead>
<tr>
<th>Province/territory</th>
<th>Date bilateral agreement signed</th>
<th>Start of PT selection program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quebec</td>
<td>February 20, 1978</td>
<td>1978</td>
</tr>
<tr>
<td>Manitoba</td>
<td>June 28, 1998</td>
<td>1999</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>February 22, 1999</td>
<td>1999</td>
</tr>
<tr>
<td>Newfoundland and Labrador</td>
<td>September 1, 1999</td>
<td>1999</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>March 16, 1998</td>
<td>2001</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>March 29, 2001</td>
<td>2001</td>
</tr>
<tr>
<td>British Columbia</td>
<td>April 19, 1998</td>
<td>2001</td>
</tr>
<tr>
<td>Alberta</td>
<td>March 2, 2002</td>
<td>2002</td>
</tr>
<tr>
<td>Yukon</td>
<td>April 1, 2001</td>
<td>2002</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>August 27, 2002</td>
<td>2003</td>
</tr>
<tr>
<td>Ontario</td>
<td>November 21, 2005</td>
<td>2007</td>
</tr>
<tr>
<td>Northwest Territories</td>
<td>August 7, 2009</td>
<td>2009</td>
</tr>
</tbody>
</table>

Source: Immigration, Refugees and Citizenship Canada.

For more discussion on the PNP, see El-Assal, A New Era.
Table 8
PNP Allocations—Principal Applicants, 2009–17

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>British Columbia</td>
<td>3,000</td>
<td>3,500</td>
<td>3,500</td>
<td>3,500</td>
<td>3,800</td>
<td>4,150</td>
<td>5,800</td>
<td>5,800</td>
<td>6,000</td>
</tr>
<tr>
<td>Alberta</td>
<td>4,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,500</td>
<td>5,500</td>
<td>5,500</td>
<td>5,500</td>
<td>5,500</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>3,400</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
<td>4,450</td>
<td>4,725</td>
<td>5,500</td>
<td>5,500</td>
<td>5,600</td>
</tr>
<tr>
<td>Manitoba</td>
<td>4,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Ontario</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,300</td>
<td>2,500</td>
<td>5,200</td>
<td>5,500</td>
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</tr>
<tr>
<td>Nova Scotia</td>
<td>350</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>600</td>
<td>700</td>
<td>1,350</td>
<td>1,350</td>
<td>1,350</td>
</tr>
<tr>
<td>Newfoundland and Labrador</td>
<td>225</td>
<td>300</td>
<td>300</td>
<td>300</td>
<td>300</td>
<td>1,050</td>
<td>1,050</td>
<td>1,050</td>
<td>1,050</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>550</td>
<td>625</td>
<td>625</td>
<td>625</td>
<td>625</td>
<td>1,050</td>
<td>1,050</td>
<td>1,050</td>
<td>1,050</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>350</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>400</td>
<td>850</td>
<td>850</td>
<td>850</td>
<td>850</td>
</tr>
<tr>
<td>Yukon</td>
<td>190</td>
<td>190</td>
<td>190</td>
<td>190</td>
<td>190</td>
<td>250</td>
<td>250</td>
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<tr>
<td>Northwest Territories</td>
<td>-</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>150</td>
<td>250</td>
<td>250</td>
<td>250</td>
<td>250</td>
</tr>
<tr>
<td>Total</td>
<td>17,065</td>
<td>20,665</td>
<td>20,665</td>
<td>20,665</td>
<td>22,315</td>
<td>24,240</td>
<td>32,300</td>
<td>32,600</td>
<td>33,400</td>
</tr>
</tbody>
</table>

Note: Express Entry nomination spots for 2015, 2016, and 2017 are included.
Sources: Immigration, Refugees and Citizenship Canada; Seidle; The Conference Board of Canada.

Table 9
Provincial Nominee Arrivals as Percentage Share of the Province’s Total Economic Class Arrivals, 2006–16
(principal applicants and dependants)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Newfoundland and Labrador</td>
<td>32</td>
<td>28</td>
<td>34</td>
<td>55</td>
<td>52</td>
<td>69</td>
<td>72</td>
<td>79</td>
<td>74</td>
<td>78</td>
<td>69</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>93</td>
<td>96</td>
<td>95</td>
<td>96</td>
<td>97</td>
<td>97</td>
<td>93</td>
<td>93</td>
<td>95</td>
<td>95</td>
<td>98</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>49</td>
<td>50</td>
<td>47</td>
<td>50</td>
<td>38</td>
<td>55</td>
<td>59</td>
<td>71</td>
<td>72</td>
<td>56</td>
<td>77</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>81</td>
<td>79</td>
<td>76</td>
<td>78</td>
<td>83</td>
<td>88</td>
<td>87</td>
<td>89</td>
<td>87</td>
<td>93</td>
<td></td>
</tr>
<tr>
<td>Ontario</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>5</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Manitoba</td>
<td>90</td>
<td>92</td>
<td>92</td>
<td>93</td>
<td>92</td>
<td>94</td>
<td>92</td>
<td>92</td>
<td>95</td>
<td>91</td>
<td>93</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>61</td>
<td>78</td>
<td>83</td>
<td>91</td>
<td>86</td>
<td>91</td>
<td>93</td>
<td>93</td>
<td>89</td>
<td>86</td>
<td>90</td>
</tr>
<tr>
<td>Alberta</td>
<td>9</td>
<td>15</td>
<td>23</td>
<td>32</td>
<td>33</td>
<td>43</td>
<td>42</td>
<td>40</td>
<td>38</td>
<td>31</td>
<td>28</td>
</tr>
<tr>
<td>British Columbia</td>
<td>7</td>
<td>11</td>
<td>13</td>
<td>18</td>
<td>16</td>
<td>20</td>
<td>27</td>
<td>36</td>
<td>33</td>
<td>31</td>
<td>33</td>
</tr>
</tbody>
</table>

Source: Immigration, Refugees and Citizenship Canada.

Imigration to the region is poised to rise even further due to recent increases to PNP allocations and the launch of the AIP. But the primary goal of the Atlantic provinces is not simply to attract more immigrants. Rather, it is to retain more of them to ensure they make lasting economic, social, and cultural contributions to the region. As we shall see, this goal has remained somewhat elusive.
Retention Statistics

The Atlantic provinces’ retention of immigrants lags the rest of Canada. An Immigration, Refugees and Citizenship Canada (IRCC) study found that retention rates of immigrants who landed in Canada between 2006 and 2011 were at least 85 per cent in all six provinces west of Atlantic Canada.\(^5\) (See Chart 11.) Nova Scotia had the highest retention rate (72.1 per cent) in the Atlantic region, while P.E.I. had the lowest rate among all provinces in Canada (32.3 per cent).

Chart 11
Retention Rates of Immigrants Landed 2006–11, 2011 Tax Year
(per cent)

![Chart 11]

Source: van Huystee and St. Jean.

Retention of family class immigrants in the region is higher than that of the economic and refugee classes, though this is common across Canada, as immigrants are more likely to remain in a jurisdiction in which they have family members. The IRCC study found that 83 per cent of family class arrivals remained in Nova Scotia at the end of 2011, and this figure was relatively high in the other three Atlantic provinces compared with their economic class retention figures.\(^6\) (See Table 10.) The study also showed that retention rates of PNP arrivals were higher than Federal Skilled Worker Program (FSWP) arrivals, except in Prince Edward Island. Again, this is likely due to PNP arrivals having stronger economic and social ties to the region upon selection compared with other

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\(^5\) van Huystee and St. Jean, *Interprovincial Mobility of Immigrants in Canada 2006–2011*.

\(^6\) Ibid.
those who arrived in Atlantic Canada through the FSWP. Meanwhile, the retention of the refugee class was much lower in the Atlantic region compared with the rest of Canada.

**Table 10**

<table>
<thead>
<tr>
<th></th>
<th>Federal skilled workers</th>
<th>PNP</th>
<th>Family class</th>
<th>Refugee class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newfoundland and Labrador</td>
<td>55.9</td>
<td>67.4</td>
<td>75.0</td>
<td>50.4</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>36.4</td>
<td>28.7</td>
<td>66.7</td>
<td>63.0</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>64.7</td>
<td>68.0</td>
<td>82.9</td>
<td>73.7</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>57.1</td>
<td>64.5</td>
<td>79.2</td>
<td>60.2</td>
</tr>
<tr>
<td>Canada</td>
<td>88.3</td>
<td>N/A</td>
<td>94.3</td>
<td>89.5</td>
</tr>
</tbody>
</table>

Source: van Huystee and St. Jean.

Fortunately, retention rates have improved. When comparing two immigrant cohorts, we see that retention figures have increased in three of the Atlantic provinces (except P.E.I., which experienced a significant fall of nearly 22 per cent). (See Table 11.) Growing numbers of PNP arrivals and the strong economic performance of some of the region’s large cities have likely contributed to higher retention rates. Furthermore, increased government spending and activities on immigrant settlement services, combined with more initiatives being taken by employers and other stakeholders, are creating more immigrant-friendly communities in the region.

**Table 11**

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2006</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newfoundland and Labrador</td>
<td>62.4</td>
<td>43.5</td>
<td>+18.9</td>
</tr>
<tr>
<td>Prince Edward Island</td>
<td>32.3</td>
<td>54.1</td>
<td>−21.8</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>72.1</td>
<td>67.6</td>
<td>+4.5</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>65.8</td>
<td>60.0</td>
<td>+5.8</td>
</tr>
</tbody>
</table>

Sources: van Huystee and St. Jean; Okonny-Myers.
Nonetheless, it is incumbent upon us to better understand the region’s immigration strengths and challenges, since a sizable immigrant attraction and retention gap exists between the Atlantic region and the rest of Canada.

Understanding Atlantic Canada’s Immigration Push-and-Pull Factors

A wide body of literature has evaluated the keys to attracting and retaining immigrants in communities across Canada. For instance, like other researchers, The Conference Board of Canada has found that newcomers tend to look for three things when picking a home in Canada: employment, supports, and community.7

Employment entails finding a job, and ideally, a job that is commensurate with an immigrant’s skill set. It is equally critical for an immigrant’s spouse to find gainful employment, as the couple is more likely to leave a community if only one of them has a good job. Immigrants also require supports such as help finding housing, enrolling their children in school, finding a doctor, opening a bank account, accessing language training, navigating the Canadian labour market, and learning about life in Canada. These supports are commonly provided by immigrant settlement service provider organizations (SPOs), which are typically non-profits that have expertise delivering such assistance; however, others such as employers, post-secondary institutions, and members of the community may also lend a helping hand.

Third, immigrants look for a sense of community and tend to seek members who share their cultural background when they choose a settlement destination in Canada. This helps us understand why cities such as Montréal, Toronto, and Vancouver, which have a critical mass of immigrants, have historically had an advantage over other Canadian cities in drawing newcomers. Moreover, given that many immigrants arrive from large cities, they may choose to settle in Canada’s largest cities to replicate the urban lifestyle that they led abroad.

7 Kukushkin, Immigrant-Friendly Communities.
With these thoughts in mind, it is understandable why Atlantic Canada has struggled to attract and retain immigrants. Historically, the region has had higher unemployment rates, and its lack of a critical mass of immigrants has made it a less appealing destination for newcomers compared with other parts of Canada. Below, we look at the impacts of these factors on immigration in the region.

**Immigrant Employment Context**

The Atlantic region’s high unemployment rate and small economy are cited as the main reasons it has struggled to attract and retain immigrants. However, there are a few misconceptions about this issue. First, although unemployment rates in the Atlantic provinces are the highest in the country, they are lower in the region’s largest cities. Unemployment rates in Nova Scotia’s and New Brunswick’s largest cities are comparable with other Canadian cities, and lower in some instances. (See Table 12.) Furthermore, as shown in Table 13, the immigrant unemployment rate is lower among newcomers in Atlantic Canada compared with the national average, and immigrants in the region who have been in Canada for five years or more have unemployment rates of under 6 per cent, which is also lower than the national average.

| Table 12 |
| Unemployment Rate Seasonally Adjusted, by Census Metropolitan Area |
| (per cent) | 2012–16 | June 2017 |
| Canada | 7.0 | 6.5 |
| St. John’s (N.L.) | 6.8 | 7.9 |
| Prince Edward Island | 10.9 | 10.2 |
| Halifax (N.S.) | 6.3 | 6.9 |
| Moncton (N.B.) | 7.0 | 5.4 |
| Saint John (N.B.) | 8.3 | 6.3 |
| Québec City (Que.) | 4.9 | 4.4 |
| Montréal (Que.) | 8.2 | 6.5 |
| Ottawa-Gatineau (Ont.-Que.) | 6.5 | 5.9 |
| Toronto (Ont.) | 7.8 | 6.7 |
| Winnipeg (Man.) | 5.9 | 5.8 |
| Regina (Sask.) | 4.2 | 5.1 |

(continued ...)

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### Table 12 (cont’d)

**Unemployment Rate Seasonally Adjusted, by Census Metropolitan Area**

(per cent)

<table>
<thead>
<tr>
<th>Metro Area</th>
<th>2012–16</th>
<th>June 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calgary (Alta.)</td>
<td>6.0</td>
<td>8.9</td>
</tr>
<tr>
<td>Edmonton (Alta.)</td>
<td>5.5</td>
<td>7.9</td>
</tr>
<tr>
<td>Vancouver (B.C.)</td>
<td>6.1</td>
<td>5.1</td>
</tr>
</tbody>
</table>

Source: Statistics Canada.

### Table 13

**Unemployment Rate by Immigrant Status of Population Aged 25 to 54, by Province, 2016**

(per cent)

<table>
<thead>
<tr>
<th>Province</th>
<th>Total population</th>
<th>Landed immigrants</th>
<th>Immigrants, landed 5 years or less earlier</th>
<th>Immigrants, landed 5 to 10 years earlier</th>
<th>Immigrants, landed more than 10 years earlier</th>
<th>Born in Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>6.0</td>
<td>6.9</td>
<td>10.2</td>
<td>7.7</td>
<td>5.9</td>
<td>5.5</td>
</tr>
<tr>
<td>Atlantic*</td>
<td>8.5</td>
<td>6.6</td>
<td>9.2</td>
<td>5.8</td>
<td>5.5</td>
<td>8.6</td>
</tr>
<tr>
<td>Quebec</td>
<td>6.1</td>
<td>9.0</td>
<td>12.7</td>
<td>8.7</td>
<td>7.8</td>
<td>5.3</td>
</tr>
<tr>
<td>Ontario</td>
<td>5.4</td>
<td>6.4</td>
<td>11.2</td>
<td>7.8</td>
<td>5.2</td>
<td>4.8</td>
</tr>
<tr>
<td>Manitoba &amp; Saskatchewan</td>
<td>5.3</td>
<td>5.5</td>
<td>6.8</td>
<td>4.5</td>
<td>5.1</td>
<td>5.1</td>
</tr>
<tr>
<td>Alberta</td>
<td>7.2</td>
<td>8.7</td>
<td>8.5</td>
<td>9.7</td>
<td>8.4</td>
<td>6.6</td>
</tr>
<tr>
<td>British Columbia</td>
<td>5.3</td>
<td>5.5</td>
<td>9.0</td>
<td>5.6</td>
<td>4.9</td>
<td>5.0</td>
</tr>
</tbody>
</table>

*Statistics Canada groups the four Atlantic provinces together.

Source: Statistics Canada.

In addition, the immigrant wage gap is lower in the Atlantic region than in the rest of Canada. Whereas the hourly wages of university-educated immigrants was 20.6 per cent less than university-educated Canadian-born citizens in 2014, the gap was lower than the national average in all four Atlantic provinces, with Nova Scotia (2.8 per cent) and Newfoundland and Labrador (10.8 per cent) having the smallest gaps in Canada.8 Furthermore, the mean income of immigrants who landed in Atlantic Canada in 2014 ($30,000) was on par with those who landed in Ontario that year ($30,000) and higher than the incomes of newcomers to B.C. ($29,000), Saskatchewan ($27,000), and Quebec ($19,500).9

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9 Statistics Canada, CANSIM tables 054-0001 to 054-0017.
Moreover, the IRCC analysis between 2006 and 2011 showed that many immigrants who stayed in Atlantic Canada earned more than those who left the region. (See Table 14.) For instance, FSWP arrivals earned more in Atlantic Canada compared with those who left (except in Nova Scotia), while PNP arrivals who stayed in the region earned more compared with leavers. Family class stayers earned more than leavers in Newfoundland and Labrador and P.E.I. (but not Nova Scotia and New Brunswick). However, refugee leavers earned more than stayers in all four provinces. But the key take-away is that, for the most part, immigrant stayers have positive earnings outcomes in Atlantic Canada.

<table>
<thead>
<tr>
<th>Table 14</th>
<th>Average Employment Earnings of Immigrant Arrivals (2006–11) and Immigration Category, Stayers vs. Movers, 2011</th>
<th>(dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FSWP (P.A.)**</td>
<td>PNP (P.A.)**</td>
</tr>
<tr>
<td></td>
<td>Stayers*</td>
<td>Number</td>
</tr>
<tr>
<td>N.L.</td>
<td>180</td>
<td>76,677</td>
</tr>
<tr>
<td></td>
<td>Movers</td>
<td>95</td>
</tr>
<tr>
<td>P.E.I.</td>
<td>20</td>
<td>44,500</td>
</tr>
<tr>
<td></td>
<td>Movers</td>
<td>n.a.</td>
</tr>
<tr>
<td>N.S.</td>
<td>825</td>
<td>45,927</td>
</tr>
<tr>
<td></td>
<td>Movers</td>
<td>435</td>
</tr>
<tr>
<td>N.B.</td>
<td>285</td>
<td>48,771</td>
</tr>
<tr>
<td></td>
<td>Movers</td>
<td>195</td>
</tr>
</tbody>
</table>

*stayer: remained in province of landing at end of 2011

**P.A. = principal applicant

Source: van Huystee and St. Jean.

Put together, these data show that one of the Atlantic region’s strengths is its immigrant employment outcomes and that non-economic reasons play a significant role in causing immigrants to leave. Nonetheless, there are several employment-related factors that hinder Atlantic Canada’s immigration efforts.

**Common Immigrant Employment Challenges**

Underemployment is one probable cause of immigrants leaving the Atlantic region. Ramos and Yoshida found that while 30 per cent of immigrants had a job in the Atlantic provinces, “leavers” had lower
average incomes than “stayers,” were more likely to have a university or professional education, and had higher rates of social assistance utilization.\textsuperscript{10} These findings strongly suggest that the inability to integrate into the region’s economy was a significant impetus for leaving the Atlantic region.\textsuperscript{11} The inability to integrate could be due to a combination of factors such as skills mismatches between immigrants and the needs of the labour market, lack of sufficient job opportunities in some parts of the region, and difficulties getting foreign qualifications recognized.

Several interviewees also noted cases of economic class immigrants leaving their province because spouses of principal applicants were underemployed or unemployed. This is reflected in the data, which show that spouses of economic class principal applicants in Atlantic Canada have lower employment rates than the national average.\textsuperscript{12} Several interviewees commented that while the principal applicant and children often integrate into the community through work and school, the spouse may feel socially isolated if he or she is unemployed.

Another likely cause of immigrants leaving the Atlantic region is to go to other parts of Canada with more diverse job opportunities and higher wages. The dependence on natural resources in some regions of Atlantic Canada was highlighted by interviewees as a challenge for attracting and retaining immigrants. Because natural resource sectors are typically capital-intensive and experience boom-and-bust periods, they are not ideal for drawing large numbers of immigrants and creating a stable employment environment for them in the region. This is currently viewed as a significant issue in Newfoundland and Labrador. Interviewees noted that the province’s strong reliance on the oil sector, which recently experienced a downturn, is particularly challenging for the province’s immigration efforts, and this is reflected by it having the fewest immigrant arrivals among all Canadian provinces.

\textsuperscript{10} Ramos and Yoshida, “From Away, But Here to Stay?”
\textsuperscript{11} Ibid.
\textsuperscript{12} Yoshida and others, Who Are Recent Immigrants; and Yoshida, “Why Does Atlantic Canada Struggle to Retain Immigrants?”
International Student Employment Barriers

As shown in Chart 12, the Atlantic region's international student population has grown significantly over the past decade—nearly fourfold in P.E.I., while more than doubling in Newfoundland and Labrador and Nova Scotia. A 2016 survey of international students enrolled in a university or college in Atlantic Canada found that 82 per cent would remain in their province of study if they found an attractive job in their field.\textsuperscript{13} International students are a prime source of immigrants in the Atlantic region and the rest of Canada because they attain credentials that are recognized and valued by Canadian employers, are usually strong in English and/or French, and develop social and professional networks during their studies that position them to succeed as immigrants in Canada.

Yet, few international students are staying in the region. In 2016, 19,225 former study permit and post-graduate work permit holders gained permanent residence in Canada, but only 920 (4.8 per cent)
settled in the Atlantic provinces.\textsuperscript{14} In comparison, Manitoba and Saskatchewan, which combined have roughly the same population size as Atlantic Canada, saw 1,360 former study and post-graduate permit holders land in their provinces in 2016 (7 per cent of the national total). Interviewees cited a lack of employment opportunities as being among the foremost reasons international students leave the region after their studies. International students face common employment barriers such as having insufficient English and/or French language proficiency even after their studies, lack of work experience, and social and professional networks. Moreover, employers may not have a good understanding of the value of hiring international students or the immigration process. For instance, an employer may be apprehensive about investing in an international student if they do not know how to support their permanent residence application or if they think the process is onerous. Another related challenge, discussed in chapters 4 and 5, is that international students and foreign workers have limited access to government-funded settlement services, which may impede their integration into the region. Due to these challenges, international students may pursue economic opportunity elsewhere, which causes the Atlantic provinces to lose out on their skills.

**Supports and Community**

Several interviewees believe that lack of supports and a sense of community caused immigrants to leave the region in the past. One SPO interviewee said that up until the 2000s, SPOs did not receive much government funding and had little capacity to support newcomers adequately, but she noted that retention rates have gone up as federal and provincial governments have invested more money in settlement services. While these services have improved, interviewees cited the region’s small immigrant population as an ongoing and major challenge. They said that this results in less multiculturalism and diversity, which means fewer ethnic restaurants and cultural activities and less intercultural awareness, which causes immigrants to leave.
Several interviewees noted that while there may be job opportunities for immigrants to pursue in rural areas, the lack of cultural amenities in those regions dissuade immigrants from moving or remaining there. This is also purportedly an issue in some of the Atlantic region's larger cities—for instance, one interviewee noted that New Brunswick's three largest cities each have metropolitan populations of some 100,000 to 145,000 people, which makes it challenging to develop a critical mass of immigrants.

Some interviewees argued that while Atlantic Canada has a reputation of being a friendly region, it still lags the rest of the country in terms of being welcoming toward immigrants. According to them, a significant portion of the region's population continues to believe that immigrants displace domestic workers and do not understand why the Atlantic provinces are seeking more immigrants when a significant portion of the region's population is unemployed. One interviewee referenced a recent speech by a local member of parliament who said he does not raise the subject of immigration with his constituents to avoid eliciting negative reactions from them. Interviewees also stated that while it is less of a problem today, immigrants have faced significant incidences of discrimination in the region. Further, interviewees explained that immigrants can find it challenging to develop friendships and close professional bonds with the region's residents. This was viewed by interviewees as a prominent issue in the workplace, where they said that a lack of intercultural awareness among employers and staff can lead to uncomfortable work environments for immigrants.

Other factors may also make it difficult for immigrants to establish in Atlantic communities. Interviewees highlighted public transportation challenges as a reason some immigrants struggle to attend community events, build social networks, and enjoy their time in the region. One said that international students may not be able to afford to live close to their campus, and because public transportation is unreliable in her city, international students are often unable to attend social events and make friends, which leads to them wanting to leave her province after they complete their studies. Some interviewees stated that cold winters and the rainy climate in certain parts of the region can also contribute to social isolation.
Other Attraction and Retention Challenges

A view among interviewees was that lack of awareness and misperceptions about Atlantic Canada hurt the region’s ability to attract more immigrants. Some explained that while prospective immigrants tend to be aware of large Canadian cities such as Montréal, Toronto, and Vancouver, they have little or no awareness of the Atlantic region, which requires the region to do a better job of promoting itself overseas. Even if prospective immigrants are aware of the region, interviewees stated that the Atlantic provinces could be more effective in articulating the value of settling in the region rather than elsewhere in Canada. Indeed, several argued that the Atlantic region has certain quality-of-life advantages (e.g., shorter commute times) over larger Canadian cities—a pull factor that needs to be communicated more to draw higher levels of newcomers to the region. Moreover, an interviewee said that it is incumbent upon Atlantic stakeholders to dispel the notion that its economy is depressed when in fact has cities and sectors with good job prospects.

Another issue that impacts both attraction and retention are employer views on immigration and immigrants. Interviewees said that the region’s employers commonly believe that navigating the immigration system to fill vacancies is challenging and that some employers lack awareness of the benefits of hiring immigrants.

There was also a view among interviewees that the Atlantic region has targeted immigrants who were unlikely to remain in the region over the long run. For instance, a prevailing opinion was that rather than focusing on developing a critical mass of immigrants from certain source countries, the region has cast a wide net, which has been successful in drawing more immigrants but less so in retaining them due to its lack of large diaspora communities from certain cultural backgrounds. Another position interviewees expressed was that since the provinces have struggled to attract immigrants in the past, they set low PNP selection criteria, which has resulted in immigrants arriving with poor English or French language skills and few employment prospects in the region, resulting in them eventually leaving Atlantic Canada. Several interviewees also argued that the PNP’s focus on selecting immigrants
largely on the basis of their ability to integrate economically (rather than placing more weight on their family and/or social ties to the region) has not helped matters, as the data show that economic class immigrants are the most transient of Canada’s three immigrant classes.

The region’s higher income tax rates compared with the rest of Canada’s\textsuperscript{15} was also flagged as a potential contributor of immigrants leaving the Atlantic region. Finally, two interviewees in P.E.I. highlighted limited post-secondary educational opportunities as a reason for immigrant families leaving the province and region. They explained that in the absence of the post-secondary program of their choice in the province, students may decide to move to another province and their family may join them.

**Conclusion**

Atlantic Canada’s immigrant arrival and retention rates have increased, but it is clear that more can be done to boost immigration in the region. Its immigrant unemployment rates and wage gaps (compared with Canadian-born workers) are low, wages are nationally competitive, and immigrant “stayers” tend to earn more than “leavers.” Hence, its immigrant employment outcomes is an area of strength, but at the same time, the evidence suggests that immigrants leave due to their inability to find work commensurate with their skill set and to spousal employment challenges. A major immigration disadvantage in the region is its small diaspora communities, which results in a less appealing social environment for immigrants. To foster improvement, the Atlantic region needs to better ensure that immigrants and their spouses find jobs in their fields, international student employment barriers are addressed, and welcoming communities continue to be developed. Atlantic Canada can also look to brand itself in a more positive light to prospective immigrants and focus its attraction efforts on groups of immigrants likely to remain in the region.

\textsuperscript{15} Canada Revenue Agency, *Canadian Income Tax Rates for Individuals*.\[7.5ex]
CHAPTER 4
The Atlantic Immigration Pilot

Chapter Summary

- The Atlantic Immigration Pilot (AIP) is an employer-driven program that will grant permanent residence to a maximum of 2,000 principal applicants (plus their dependants) in 2017.

- Interviewees reported enthusiasm about the AIP, but flagged several areas for consideration.

- The AIP’s success will greatly depend on governments and the immigrant settlement sector providing employers with a positive experience and employers doing their part to settle and integrate immigrants and their families.
Since the Atlantic Immigration Pilot (AIP) is still new, it is too early to judge its performance, but it remains worthwhile to evaluate its merits. We first provide background on its design and then offer our thoughts and those provided during the 22 interviews we conducted between April and June 2017. Based on the perspectives of interviewees, we discuss several issues that will require ongoing monitoring throughout the AIP’s progression.

**Background on the AIP**

Launched in March 2017, the AIP is a federal program aimed at increasing immigration in Atlantic Canada. A three-year pilot, it will provide permanent residence to a maximum of 2,000 principal applicants under the economic class (plus their dependants) in 2017. Up to 646 applications will be accepted from New Brunswick, 792 from Nova Scotia, 442 from Newfoundland and Labrador, and 120 from Prince Edward Island.\(^1\) The AIP has three streams for international students and high- (NOC 0, A, and B) and semi-skilled (NOC C)\(^2\) candidates. (See Table 15.)

The AIP is an employer-driven program. Employers must recruit candidates and support their settlement and integration in the region. This entails the employer demonstrating to the federal and provincial governments that they have a labour force need and that they are unable to find a Canadian or permanent resident to do the job, though a Labour Market Impact Assessment (LMIA) is not required. The employer must then recruit a candidate to fill the need, whom they will go on to support through the immigration process. Employers are required to work with a local immigrant settlement service provider organization (SPO) to develop a settlement plan for the candidate and their family. (See “AIP Process.”) Depending on the case, the employer must help the candidate

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2. Under the AIP, these immigrants are referred to as “intermediate skilled.”
and their family in key areas such as finding suitable housing, supporting their access to language training, and assisting them with transportation as they transition into the community.3

### Table 15

<table>
<thead>
<tr>
<th>Eligibility Criteria for Atlantic Immigration Pilot Streams</th>
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<tbody>
<tr>
<td><strong>Work experience</strong></td>
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<td>----------------------------------------------------------</td>
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<tr>
<td>Atlantic Intermediate Skilled Program</td>
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<tr>
<td>Atlantic High-Skilled Program</td>
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<td>Atlantic International Graduate Program</td>
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Source: Immigration, Refugees and Citizenship Canada.

### AIP Process

1. The employer contacts the province to become designated. To become designated, the employer must have a business that has operated in the region for at least two years and is in good standing, provide information on their labour needs, and commit to working with an SPO to develop a settlement plan.
2. The designated employer recruits an immigration candidate.
3. The designated employer contacts a designated SPO. The SPO develops a settlement plan for the immigration candidate and their accompanying family members.
4. The designated employer contacts the province to endorse the candidate.
5. The province reviews the candidate’s application for endorsement to ensure that all eligibility criteria have been met (i.e., the employer is designated; the


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employer’s job offer is genuine; the candidate meets the requirements of one of the AIP’s streams; the candidate has a settlement plan).

6. The endorsed candidate applies to the federal government for permanent resident status.

7. The employer reports to the province as needed on immigrant settlement, integration, and retention.

Source: Immigration, Refugees and Citizenship Canada.

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**Early Thoughts**

The AIP is promising for several reasons. It provides immigration candidates with an additional and clear pathway toward permanent resident status in the region and will be an added tool for the Atlantic region to promote itself as a destination of choice to candidates, which connects with the AIP’s larger benefit: It gives stakeholders in the region more agency to attract and retain immigrants. As shown in Chapter 3, the Atlantic provinces are highly dependent on their PNPs to support their immigration goals, since few immigrants arrive in the region through federal economic class programs. Under the AIP, employers can recruit immigrants who meet their labour market needs, and by having gainful employment, immigrants will be more inclined to stay in the region. Another benefit from an employer’s perspective is they can provide a job offer without requiring an LMIA—employers often claim that the LMIA process is onerous.

Providing the region with more agency is also important because it helps to address a long-standing intergovernmental relations issue between the federal government and the Atlantic provinces. In recent years, the Atlantic provinces have called on the federal government to increase their PNP allocations. However, one provincial official explained that the federal government may have been hesitant to do so due to high unemployment rates in some parts of the region.4 A municipal government official noted that the AIP provides Atlantic provincial governments with an opportunity to justify asking for

4 El-Assal, *A New Era*. 

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higher PNP allocations in the future if they can demonstrate to the federal government they are successfully attracting and retaining more immigrants.

The provision that a settlement plan must be in place before a candidate can be endorsed by an Atlantic province to apply for permanent residence is also important because it will help address some of the main challenges highlighted above. It will provide spouses and children with the supports they need to find appropriate work and schooling and it will offer the orientation services that are necessary to successfully settle and integrate into a community, which should contribute to higher retention rates in the region.

Interviewees expressed resounding enthusiasm for the AIP as they highlighted the integrated role of employers and SPOs in creating stronger attachments for immigrants to the region. At the same time, they touched on several issues that will be worth monitoring throughout the AIP’s duration.

**Employer Experience**

The main AIP concern raised by interviewees pertained to the amount of work that is required of employers to recruit candidates and develop settlement plans for them. While interviewees acknowledged there is a learning curve for employers with any new immigration program, some felt that employers may find the AIP process too onerous and will look to other means (e.g., federal programs or the PNP) to address their labour force needs. For instance, one SPO interviewee stated that a local employer spent 60 hours completing an AIP application and felt overwhelmed and discouraged by the process. A provincial government official conceded that the length of the AIP process and the amount of paperwork required may hinder employers from using it. However, an official from another provincial government noted that the time required of employers to go through the AIP process is not much longer than that required for the PNP process.
Another concern was that while provincial governments have responded to employer enquiries in a timely manner for the most part, there have been some delays in response times. Interviewees said this was likely due to the volume of questions the provinces have received in the AIP’s early days. In addition to learning if they qualify for designation under the AIP, common employer questions include whether they will lose their designated status if they need to lay off an immigrant whom they recruited through the AIP and if they are responsible for covering settlement costs such as travel from the immigrant’s source country to Canada and their housing in Canada. Employers that have not been able to hear back from their province in a timely manner are reaching out to business groups and SPOs, which is creating some challenges.

While interviewees understand reasons for the delays in responding to questions, they expressed concerns that delays could discourage employers from using the AIP. Provincial government officials explained that they are making efforts to respond to employers quickly and have staff in place to help employers identify the most appropriate program to address their needs, whether it is the AIP, another federal program, or the PNP. One SPO interviewee said that given how important employers are to the AIP’s success, governments and SPOs need to take a “client service” approach for employers to build and maintain employer engagement. This entails responding to employer requests for information quickly and guiding them through the AIP process.

**SPO Perspectives**

SPO interviewees explained that, since the AIP’s launch, their workload has spiked to respond to questions from employers and immigration candidates and develop settlement plans. One interviewee said that her SPO received over 200 calls and e-mails about the AIP in its first month, while another said his SPO received some 85 enquiries during that same span. It takes about two to three hours to complete a settlement plan, which involves conducting a needs assessment for the immigration candidate and their family and working with them and the employer to design a custom plan.
While larger employers have the resources and experience to help settle and integrate immigrants, smaller employers may not have that luxury.

While they expressed great support for the AIP, several interviewees noted that it has not been accompanied by additional federal settlement funding, though some noted that their SPO has received advance funding and/or commitments for extra settlement funding from their province. One argued that while employers are expected to incur many of the costs of recruiting and settling immigrants, SPOs are also bearing significant costs due to the increased volume of work. Since their capacity is stretched, SPO interviewees are concerned they will not be able to produce settlement plans quickly enough, which will result in delays in the length of time immigrants arrive through the AIP. Some were also concerned that capacity constraints could impact the quality of services they deliver.

They also pointed out that since the federal government funds settlement services for permanent residents only, AIP immigration candidates are not able to receive federally funded services until they gain permanent residence, which could delay the candidate’s settlement process. Following recent amendments to settlement contribution agreements between the federal government and SPOs, an AIP candidate can obtain a needs assessment and settlement plan from an SPO. While the candidate waits for their permanent residence application to be processed (after which they can access federally funded services), they can receive supports from SPOs (e.g., that are funded by a provincial government) and their employers. However, interviewees noted that some employers may not want to pay for settlement services (e.g., language training) while a candidate awaits the processing of their permanent residence application. On the other hand, they explained that larger employers are more capable of paying for such services out of pocket, which could lead to discrepancies in access to settlement supports for AIP candidates. One SPO interviewee said that lack of funding for temporary residents exacerbates an ongoing issue, since his SPO has the capacity to employ only one settlement worker devoted to temporary residents, and this worker already serves some 1,000 clients.

Moreover, SPO interviewees are worried that immigrant settlement experiences will depend on the employer’s know-how and their financial resources. Some are concerned about the ability of smaller employers to support newcomers. A common view is that while larger employers
have the staffing, financial resources, and experience to help settle and integrate immigrants effectively, smaller employers may not have that luxury and will struggle to provide immigrants with a positive settlement experience.

These interviewees also stated that it is difficult for them to provide employers with guidance on how to settle newcomers since information on which employers have received designated status by their province is confidential and SPOs must wait for employers to reach out to them first. As such, the interviewees are worried that employers who have a limited understanding of what the settlement process entails may shy away from using the AIP.

**Future Considerations**

Despite these early concerns, it is important to remember that the AIP is a pilot that is amenable to change, and if it proves successful, could be a model that is applied in other parts of Canada in the future. In the meantime, the following are important considerations stakeholders will need to keep in mind to ensure that the AIP yields desirable results.

**Employer Engagement Is Key to the AIP’s Success**

Clearly, much of the AIP’s success depends on employer engagement, since they are the program’s most formative actors. As such, it is imperative for stakeholders to create awareness among employers about how the AIP can benefit them. Stakeholders will need to continue to address employer concerns about the immigration system being difficult to navigate by being quick to provide them with information, develop settlement plans, and process applications. Stakeholders should also evaluate incentives to encourage employer use of the AIP. For instance, an interviewee suggested that the provinces offer tax breaks to employers that use the AIP, to help offset the time and money they spend to recruit and settle candidates. It will be beneficial to conduct regular surveys of employers to learn about their views on the AIP and gain insights on how it can be improved.
Ensuring That SPOs Have Enough Resources Is Also Critical

SPOs are also key to the AIP's success and must have enough resources in place to address the needs of employers and immigrants. Since their workload is increasing, the issue of federal and provincial funding will continue to remain at the fore over the AIP's duration. SPO interviewees said that increased funding will allow them to be more responsive to employers and immigrants, including by completing settlement plans more quickly, and deliver a better settlement experience to immigrants. However, SPOs can raise funding through other means. For instance, an immigration researcher said that rather than relying predominantly upon government funding, SPOs can charge employers a fee to cover the costs of developing settlement plans and delivering services to immigrants, as some already do for other temporary residents who require settlement services.

Providing Settlement Services During Permanent Residence Processing

To address the lag in settlement service provision for AIP candidates, one SPO interviewee suggested that candidates become eligible for federally funded services while their permanent residence application is being processed. She noted that since few candidates who reach this stage are likely to have their permanent residence application rejected, it would be worthwhile to grant eligibility to federally funded services to candidates once their settlement plan is in place. Another SPO official made a similar suggestion, but said that, instead, provincial governments could fund essential services, such as language training, once the AIP candidate has submitted their permanent residence application. It is important to note that the Atlantic provinces fund some services for temporary residents, but the funding is limited due to financial constraints. Nevertheless, the provinces will need to evaluate increasing settlement funding in light of the region's growing permanent and temporary resident population.
Setting and Measuring Benchmarks to Foster Improvements

Some SPO interviewees said that standard setting and monitoring will be important to the AIP’s success. They argue that benchmarks should be established to evaluate immigrant settlement, integration, and retention under the AIP. SPOs would also like assurances that the provinces will monitor employers regularly to ensure they are complying with their settlement and integration responsibilities under the AIP, though some expressed concern that fatigue and the number of resources that will be required of provinces to conduct regular compliance checks may undermine such efforts. For instance, one interviewee said that his province will send surveys to employers to check their compliance, though this is unlikely to be as effective as the province conducting spot checks on the employer.

Additional Suggestions

Interviewees raised several additional thoughts on the AIP’s selection and settlement standards. Given the research findings, one said it is imperative that AIP candidates are paid nationally competitive wages; otherwise, they are likely to move to another province. Another argued that the AIP’s minimum Canadian Language Benchmark requirement of 4.0 (which is the minimum standard across Canada) might be too low and those who gain permanent residence with this level of language proficiency could struggle to integrate into the community, as he said has been the case with PNP arrivals in the past. One SPO interviewee said that because much of the work in the region is seasonal, the AIP could be amended in such a way that two employers sponsor an immigration candidate. She said this would allow the candidate to work for each employer for a six-month period to address seasonal needs, which would help increase the available pool of candidates for employers.

Conclusion

The AIP is an exciting initiative that complements existing federal immigration programs and the PNP. The AIP’s success largely depends on employers being engaged with it and governments and on SPOs
treating employers as valued clients. As such, it is incumbent upon governments and SPOs to raise awareness about how the AIP can benefit employers and to ensure that the development of settlement plans and application processing are easy and quick processes. The AIP’s success will also depend on other key factors, such as employers doing their part to settle and integrate newcomers and their families and creating welcoming environments for immigrants in the workplace. Since SPOs also play a key role in the AIP, solutions are required to ensure that they can produce settlement plans quickly and provide AIP candidates with effective supports. As the AIP evolves over its three-year duration, standard-setting and close monitoring will help foster improvements to it.
CHAPTER 5

Immigration Policy Suggestions

Chapter Summary

• We offer policy suggestions in four areas to assist the Atlantic region’s efforts to boost immigration.

• These efforts can be advanced by raising public and employer awareness about immigration's benefits to the region, and creating more awareness among prospective immigrants as to why they should choose to settle in Atlantic Canada.

• The Atlantic provinces would also benefit from targeting immigrants most likely to remain in the region and addressing key issues that may hinder a temporary resident’s transition to permanent residence.
We have found that immigrant employment challenges and the Atlantic region’s small diaspora population are among the reasons immigrant attraction and retention has proven difficult. Anecdotally, perceived challenges include the region’s residents not being as welcoming to newcomers as they could be and the provinces selecting immigrants who are unlikely to remain in the Atlantic region. As such, we offer immigration policy suggestions that could help address these issues.

The suggestions focus on the following four areas:

- raising public and employer awareness about immigration’s benefits to Atlantic Canada;
- promoting life in Atlantic Canada to prospective immigrants to highlight why they should settle in the region rather than in other parts of the country;
- attracting immigrants who are most likely to stay in Atlantic Canada;
- prioritizing temporary residents by addressing the challenges that may hinder their transition to permanent residence.

### Raise Public and Employer Awareness

The prevailing view among interviewees is that the Atlantic provinces would benefit from raising public and employer intercultural awareness and understanding of immigration’s value to the region. They believe that while the Atlantic region’s higher immigration levels in recent years and the Syrian refugee initiative have helped this cause, a segment of the region’s population is apprehensive about immigration, while employers lack experience in effectively integrating immigrants into the workplace.

### Current Public Awareness Efforts

Atlantic Canada already features several awareness-raising initiatives. For instance, New Brunswick has launched a website called We Are All
NB that promotes diversity and tolerance and highlights the province’s efforts to support the employability of its Canadian-born residents while recruiting immigrants as complements to its workforce.¹ The Government of P.E.I. provides significant funding for the province’s DiverseCity Multicultural Street Festivals. Newfoundland and Labrador’s new immigration action plan, released in March 2017, aims to increase public understanding of the benefits of diversity and multiculturalism through public events, dialogue, and social media.² Business groups, employers, and community organizations are also playing their part through public campaigns, potlucks, and cultural events to help newcomers feel welcome and to facilitate understanding between them and the region’s residents.

**Showcasing Immigration’s Benefits Even Further**

However, interviewees believe that more could be done to enhance public support for immigration. An economist said that it would be helpful to have a campaign that highlights the economic need for immigration, which would alleviate concerns that newcomers have a negative impact on the employment of locals and wages and show that they benefit the region’s fiscal and economic standing by increasing the tax base and spending on goods and services. These efforts should be complemented by more awareness-raising of the investments that governments and businesses are making to train and hire Canadian-born workers.

Interviewees would also like to see more cross-sectoral partnerships to better demonstrate the value of immigration to the region. For instance, they said that the rise in welcoming community initiatives such as local immigration partnerships has been helpful in this area. Another pointed out that post-secondary institutions can help showcase the benefits of diversity in the classroom and community. It may also be worthwhile to highlight that the estimated direct economic impact of international students in the region is $525.9 million in spending per year, which supports some 3,969 jobs.³

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1. Government of New Brunswick, *We Are All NB*.

Find Conference Board research at www.e-library.ca.
While interviewees believe that the region will become more accepting of immigration as diversity increases—for instance, as the cohort of Syrian children grows up with Canadian-born children—they argue that creating a consistent message and stimulating more public dialogue will yield more fruitful immigration results for the Atlantic region. Several called for more visually appealing and easily understandable infographics and posters for use on social media and in public settings to help spread the message that immigration is good for Atlantic Canada.

**Building the Business Case for Immigration**

With employers playing such a formative role in Canada's immigration system, whether through federal programs that fall under Express Entry, the AiP, or the PNP, interviewees emphasized the importance of creating more employer awareness about the immigration opportunities that are available to them. Interviewees also said that employers require guidance on navigating the immigration system and that a stronger business case needs to be made to help employers understand why immigrants are so critical to Atlantic Canada’s economy—namely, that the region is experiencing slow macroeconomic growth and needs newcomers to create more opportunities for business. More efforts are also needed to raise intercultural awareness among employers.

While larger employers are more inclined to hire immigrants, interviewees believe that smaller employers may be hesitant to do so for various reasons, including reluctance to use the immigration system or because they believe that doing so would be more expensive or have little value. As such, it is vital to explain to these employers that immigrants offer diverse views, are hard-working, speak multiple languages, and can strengthen international business ties, which represents added value for employers.

A common suggestion was that the region showcase the initiatives of its large employers that invest in hiring immigrants. An SPO interviewee said that given how influential larger employers are in the region, their example will likely encourage smaller employers to follow suit. He believes that highlighting employer “champions,” as is already done
throughout the Atlantic region, will help other employers understand that hiring immigrants is a good investment and is not an expensive proposition.

**Increasing Employer Intercultural Awareness**

In addition to building the business case among employers for hiring immigrants, efforts are required to raise employer intercultural awareness, as they may not have much experience dealing with a diverse workforce. This entails informing employers about programs that can help them strengthen their intercultural awareness capacity. For instance, SPOs in the region offer a range of diversity training programs that provide employers with insights on combatting hiring biases, cultural sensitivity, and the customs of different religious and ethnic groups. Developing this capacity among employers is vital because it will increase the odds of immigrants settling in the workplace and community.

**Promote Life in Atlantic Canada**

Promoting Atlantic Canada more to prospective immigrants will help to raise the region's profile, create more awareness about the benefits of living in the region compared with other Canadian destinations, and dispel common myths, such as the notion that the Atlantic region has a depressed economy.

**Current Promotional Efforts**

Provincial governments currently promote the region online and through international recruitment fairs. They highlight the region's safe and clean environments, scenery, and blend of urban and rural settings. Various interviewees stated that while the Atlantic region may have a less diverse economy and population than other parts of Canada, its quality of life gives it a distinct advantage. Provincial officials from Nova Scotia and Newfoundland and Labrador mentioned that they highlight to prospective newcomers the shorter commute times and ability to move between cities and natural environments such as beaches and major parks in just...
Although the region has high-quality universities and colleges, these institutions are not sufficiently recognized in an increasingly competitive environment.

minutes—amenities that are not as available in Canada's main immigrant hubs. They also note that the region, especially its large cities, has good job opportunities and economic outcomes for immigrants and a positive work-life balance.

Showcasing Atlantic Canada’s Value Proposition

Despite noting the benefits of living in Atlantic Canada, several interviewees believe that the region does not brand itself well enough to prospective immigrants. They said that an advantage of better branding is that it could help to attract immigrants more likely to remain in the Atlantic region. For instance, by showcasing that Atlantic Canada is smaller and has more tight-knit communities than larger locales, the region could attract more immigrants who originate from smaller communities and are seeking to replicate in Canada the sort of lifestyle that they are used to. They also said that it is imperative for the Atlantic provinces to highlight the economic advantages of living there. As Chapter 3 illustrates, contrary to popular belief, the region has a strong immigrant employment context. For instance, showcasing that the wage gap between immigrants and Canadian-born workers is smaller in Atlantic Canada than in other parts of the country could persuade more immigrants to settle in the region. In addition, housing and the overall cost of life is more affordable in the Atlantic region than in larger Canadian cities. Sharing such information with prospective immigrants could give the Atlantic region an edge over other provinces as the region seeks to recruit more immigrants.

Interviewees also stated that Atlantic Canada could more effectively brand itself to certain population segments. One explained that the region’s significant francophone population should be highlighted and leveraged further to draw even more francophone immigrants. (We discuss this below.) A post-secondary official said that although the region has high-quality universities and colleges that offer strong programs, English and French instruction, and low tuition fees, these institutions are not sufficiently recognized in an increasingly competitive global environment. He said that the region has a strong foundation of stakeholder collaboration to promote its post-secondary institutions,
citing EduNova\(^4\) as an example, and that more cross-sectoral efforts among stakeholders such as institutions, government, employers, and SPOs through online marketing and participation at global recruitment fairs can help enhance the region’s brand as an attractive international student destination.

Finally, the Atlantic region would benefit from showcasing to prospective immigrants its ability to provide personalized and comprehensive supports to them. For instance, an interviewee highlighted the great lengths that stakeholders in smaller communities in New Brunswick go to in their recruitment efforts, which he said would be invaluable in the region’s larger centres. He pointed to Le Centre de ressources pour nouveaux arrivants au Nord-Ouest inc. in Edmundston, an SPO that organizes pre-arrival videoconferences with newcomers destined for the community to learn more about the composition of the family, their interests, and needs and organizes a tour commensurate with this information once they arrive. Exploratory visits of prospective immigrants to Bathurst entail meeting the mayor or members of the city council to highlight their strong desire to welcome them to the community. After they launch a business in Fredericton, the mayor writes a letter of appreciation to immigrant entrepreneurs. The Atlantic region has also enhanced its supports for newcomers, such as pre-arrival settlement services offered by the Halifax Partnership and Immigrant Services Association of Nova Scotia, the Association for New Canadians, and three immigrant entrepreneur programs delivered by the Fredericton Chamber of Commerce. Hence, since the region is smaller and receives fewer immigrants than other provinces, these services can be highlighted to explain to prospective newcomers that Atlantic Canada is well placed to provide them with a more intimate settlement experience, which is one of the region’s competitive immigration advantages within Canada.

**Attract to Retain**

Now that they have more immigration experience, the Atlantic provinces have a larger evidence base from which to inform their PNP selection

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\(^4\) EduNova is a co-operative industry association of education and training providers that promotes Nova Scotia’s education sector abroad.
criteria. As one interviewee explained, using this evidence better positions the region to “attract to retain”—designing its selection criteria to target immigrants most likely to remain in the Atlantic region.

**Strike a Balance Between the Selection of High- and Semi-Skilled Immigrants**

Several interviewees argued that while the provinces are open to semi-skilled immigration candidates, and more so now thanks to the AIP, the emphasis has been on selecting high-skilled immigrants. However, the challenge with doing so is that there are some indications high-skilled immigrants are more likely to be transient upon arrival to Canada as they look for a job that is in their field and pays a competitive wage.

As such, a few interviewees believe that the Atlantic provinces would benefit from selecting a larger share of semi-skilled immigrants. These interviewees argued that while semi-skilled immigrants tend to earn lower wages on average than the high-skilled, and hence pay fewer taxes and have less spending power, selecting more of them would nonetheless advance the region’s goal of supporting economic growth through immigration. Evidence exists of labour shortages in semi-skilled occupations, which helps justify the selection of more immigrants who can fill these gaps. For example, New Brunswick forecasts that it will have 42,810 job openings in NOC C and D positions between 2017 and 2026, most of which will arise due to attrition (deaths and retirement).\(^5\) Continuing to use such labour market projections to guide the selection process is invaluable for several reasons. Doing so will support efforts to ensure that immigrants complement domestic workers, which will help address public concerns, and that immigrants are being brought in to fill jobs where they are needed the most (whether high- or semi-skilled), which is likely to improve retention rates.

**Leverage Communities and Families**

Interviewees also pointed to retention data to highlight that the region’s focus on drawing economic class immigrants to boost its population may not be the most effective given that the family class has higher retention

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\(^5\) NBjobs.ca, *New Brunswick Labour Market Outlook 2017–2026*. 

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rates, as does the refugee class in P.E.I. and Nova Scotia. Based on these data, they recommend that the provinces seek to increase their family class population. However, the provinces would not be able to use their PNPs to enforce this recommendation without coordinating with the federal government. Indeed, several provinces across the region and Canada previously used their PNPs to facilitate family reunification before they were pressured by the federal government to shut down these streams.6 The federal government asserted that the PNP should be used only for the economic class and was working with the provinces and territories at that time to increase the economic class’s share of total immigration to Canada to 70 per cent.7

Interviewees cited Nova Scotia’s previous use of its PNP to facilitate family reunification as a good practice. Notably, they pointed to the province’s Community Identified Stream, which operated between 2003 and 2014 before being closed at the federal government’s direction. Under the stream, Nova Scotia nominated immigration candidates who had strong connections to a community in the province and good employment prospects and who received a letter of support from a community organization designated by the province.

While the AIP and PNP allow principal applicants to bring close family with them to the region, and a recent Express Entry change provides 15 extra points to candidates with siblings in Canada, interviewees said the advantage of the Community Identified Stream was that immigrants would attach to faith-based and diaspora groups in the province that provided supports and the sense of community that is vital to facilitating retention. Thus, given the high retention rates of family class immigrants in the region, it would be worthwhile for the federal and provincial governments to revisit the possibility of allowing the Atlantic provinces to use their PNP streams to draw newcomers with family and community connections to the region. Currently, the PNP focuses on selecting those likely to economically establish in a locale by evaluating their human capital characteristics (including whether there is a labour market demand for their skills). However, allowing the provinces to also

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6 Seidle, *Canada’s Provincial Nominee Immigration Programs*.
7 Citizenship and Immigration Canada, *Attracting Skilled Newcomers to Canada*. 
assess PNP candidates based on their social capital would likely be economically beneficial, as newcomers would have support networks in place to help find employment and would also contribute to a larger population and workforce. Doing so could also create social benefits as it would likely support stronger communities in the region.

Target Specific Source Countries

Government and non-government interviewees alike suggested that the provinces target specific immigrant and international student source countries to develop clusters of diaspora communities. Establishing such clusters would help boost retention rates and facilitate chain migration from those source countries.

At the time of the 2011 Census, the top source countries of immigrants in the Atlantic region were the U.K., the U.S., China, and Germany. Other notable diasporas originated from India, the Netherlands, Lebanon, and South Korea. (See Table 16.) These data and those in Table 17 provide a useful snapshot of source countries that the Atlantic provinces could target even further. For example, the Philippines has been a significant immigrant source country in every Atlantic province over the past decade. Evaluating retention rates across immigrant source countries would also be a useful exercise.

<table>
<thead>
<tr>
<th>Top Five Source Countries of Immigrants and Their Percentage Share of all Immigrants in Province, 2011</th>
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<tbody>
<tr>
<td><strong>Newfoundland and Labrador</strong></td>
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<td>Immigrants</td>
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Source: Statistics Canada.
Table 17
Top 10 Source Countries of Immigrant Arrivals to Atlantic Canada, 2006–16

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<thead>
<tr>
<th>Newfoundland and Labrador</th>
<th>Prince Edward Island</th>
<th>Nova Scotia</th>
<th>New Brunswick</th>
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<tr>
<td>Source</td>
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<td>Syria</td>
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Source: Immigration, Refugees and Citizenship Canada.

The region could also be more creative in identifying how to boost francophone immigration, given how critical it is to Atlantic Canada. For instance, as the country’s only bilingual province, New Brunswick has set a target of francophone immigrants comprising 33 per cent of its PNP arrivals by 2020, and it signed a new bilateral immigration agreement with the federal government in March 2017 that contains the country’s first ever francophone immigration annex. Atlantic Canada faces challenges in attracting francophones to the region: it must compete with Quebec, and the global francophone population is small. The francophone recruitment pool becomes even smaller because the provinces tend to focus on potential immigrants in Europe and North Africa, viewing sub-Saharan Africa as politically volatile. However, a researcher argued that the region would benefit from widening its net to countries where immigrants have the human capital characteristics to adapt in the Atlantic region, such as anglophone and francophone countries in sub-Saharan Africa. Doing so could prove wise, as the global francophone population is forecast to rise to 700 million (currently it is some 220 million people) by 2050, of whom 80 per cent will be African.

9 Immigration, Refugees and Citizenship Canada, Canada-New Brunswick Immigration Agreement—Annex B.
The recent influx of Syrians to the region represents another significant immigrant source country that can be targeted. An SPO official said that the federal government could fast-track private sponsorship applications made by Atlantic Canada residents to increase the region’s Syrian population. Moreover, she said that Syrians in the Atlantic region should be encouraged to sponsor their family members. While conceding that it will take Syrians a bit longer than other immigrants to economically integrate, since they arrived in Canada based on a humanitarian need rather than skills, she said that governments need to take a long-term view of how Syrians can help benefit the region’s economic situation—for instance, Syrian children are likely to successfully integrate economically and socially.

Settling Immigrants in Urban vs. Rural Settings
Interviewees expressed two perspectives on immigration’s role in addressing population decline in the region’s rural communities. One group said that Atlantic Canada needs to invest more in rural settings to attract more immigrants there. For instance, a provincial official said more could be done to develop the capacity of employers and SPOs so that immigrants can access employment opportunities and settlement supports in rural centres. However, another group argued that the odds of successfully attracting and retaining immigrants in rural settings are slimmer than they are of drawing them to Atlantic cities, given newcomers’ preferences and the pronounced economic challenges in rural communities. They argued that the provinces should focus on developing critical masses of immigrants in cities, which may result in immigrants choosing to move to rural environments if the opportunity arises. However, one means to effectively attract immigrants to rural communities is by getting employers more involved in the recruitment process. For instance, McCain Foods has played a formative role in attracting immigrants to Florenceville-Bristol, a New Brunswick town of 1,600 people,\(^\text{11}\) providing newcomers with a comprehensive array of settlement and integration supports.\(^\text{12}\)

\(^{11}\) Statistics Canada, *Census Profile, 2016 Census*.
\(^{12}\) Kukushkin, *Immigrant-Friendly Communities*. 
Define Retention Success

Setting more nuanced retention targets is an approach the Atlantic provinces could employ to evaluate the performance of their immigration efforts. Currently, the provinces set retention targets for all immigrants (irrespective of admissions class). However, as we have seen, retention rates vary widely between classes. One interviewee recommended that retention targets instead be delineated across the classes to help stakeholders better understand the profiles of “leavers” and “stayers.”

Interviewees asked a broader question: What constitutes successful retention? Some argued that it is unrealistic to expect immigrants to reside in the region “permanently,” given how common interprovincial mobility is among the Canadian-born and immigrants alike. The common response to this question was that retention targets should be based on each jurisdiction, their previous retention rates, and the composition of their newcomers. For instance, one researcher said that even if retention rates are lower in P.E.I. than in other Canadian provinces, the multiplier effects of immigration still have a significant economic impact since the province has such a small population and economy. Interviewees in the other Atlantic provinces shared this same view about their own jurisdictions, though one noted that since immigration is also a community-building exercise, it is important to aspire to higher retention rates. Thus, defining successful retention requires stakeholders to keep both economic and social goals in mind.

Prioritize Temporary Residents

There is a broad consensus that the Atlantic region should provide more temporary-to-permanent residence pathways (“two-step migration”) for its international student and foreign worker populations. This view is underscored not only by interviewees, but also by the selection criteria of the AIP and PNP. The rationale is that by virtue of establishing roots in the region, temporary residents are more likely to remain and integrate as permanent residents compared with newcomers with few ties to Atlantic Canada. The view is also backed by evidence: research shows
that those with Canadian work and study experience have positive labour market outcomes upon gaining permanent residence.13

However, as previously mentioned, two major challenges impede two-step migration in the Atlantic region. First, like their Canadian-born counterparts, international students often have trouble securing full-time employment in their field upon graduation, causing them to leave Atlantic Canada to find work. Second, federally and provincially funded settlement services for international students and foreign workers remain limited, although both levels of government view them as prime immigration candidates and research shows that the sooner settlement supports are offered to newcomers, the sooner they will integrate in Canada.14 Thus, identifying solutions to these issues will help increase two-step migration in the region.

Tackling International Student Employment Barriers

Several initiatives by post-secondary institutions, SPOs, community groups, and the three levels of government are aiming to tackle international student employment barriers. The University of Prince Edward Island, as one of many post-secondary examples in the region, has staff dedicated to providing international students with supports in key areas such as language training, understanding permanent residence pathways, and gaining employment during and after their studies. In addition, the university recently received a funding commitment of $546,421 from the federal government and the province to advance such efforts.15 First launched in Halifax in 2009, the Connector Program has since expanded nationally, including in Charlottetown and St. John’s.16 It facilitates networking opportunities between local volunteers (“connectors”) who provide advice and referrals of at least three people in their professional field to immigrants and international students (“connectees”) to help them integrate into the community and find a job. In Halifax, the program has led to some

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13 Sweetman and Warman, “Former Temporary Foreign Workers” and “Canada’s Temporary Foreign Workers Programs”; Bonikowska, Hou, and Picot, Which Human Capital Characteristics; Hou and Bonikowska, The Earnings Advantage.
14 See, for example, Shields and Türegün, Settlement and Integration Research Synthesis.
15 Atlantic Canada Opportunities Agency, UPEI Increases International Student Attraction Efforts.
16 National Connector Program, Connector Communities.
900 jobs found since its launch.\textsuperscript{17} The City of Moncton partners with post-secondary institutions and employers to facilitate job opportunities, such as through employment fairs dedicated to international students.

Getting employers to buy in to the notion of hiring international students is a critical aspect of this exercise. The Halifax Partnership (which first launched the Connector Program) has also spearheaded the Game Changer Action Plan to encourage employers to hire youth, including international students, and has created an employer awareness guide that, among other things, dispels myths and showcases good employer practices.\textsuperscript{18} Furthermore, governments across the region are looking to wage subsidy programs that encourage employers to test out international students before determining whether to hire them permanently and support them through the immigration process.

For instance, in October 2016, the federal and Nova Scotia governments announced the launch of the Stay in Nova Scotia pilot program, in which they will contribute $288,813 each to subsidize the salaries of 50 international students for a four-month period.\textsuperscript{19} P.E.I.'s Graduate Mentorship Program serves a similar function, while Newfoundland and Labrador is launching two similar programs—both are two-year pilot programs that will provide job placements to international students and graduates.\textsuperscript{20} The new Study & Stay in Nova Scotia Program will be another one to watch—beginning in September 2017, up to 50 international students from India, China, and the Philippines will be provided with enhanced settlement supports to help them eventually launch a career and establish in the province.\textsuperscript{21}

Stakeholders will need to continue and scale up such efforts to ensure that international students find permanent, full-time employment upon graduation so that the Atlantic provinces retain more of them. This entails post-secondary institutions working with local employers and business groups to facilitate job experience opportunities and heightening

\begin{thebibliography}{99}
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employer awareness about the value of hiring international students and permanent residence pathways. If successful, wage subsidy programs could be expanded to help cover more international students. Since governments are large employers in the region, an interviewee suggests that they introduce short-term employment schemes from which international students can benefit. Moreover, while a 2016 survey found that only 2 per cent of international students in the region intend to launch a business upon graduation,\(^{22}\) it is also important to have entrepreneur supports in place for those who wish to do so. For instance, Memorial University of Newfoundland offers the Entrepreneurship Training Program, a 16-week program on how to launch a business.\(^{23}\)

**Providing More Settlement Supports to Temporary Residents**

Unlike international students, foreign workers tend to arrive in Canada with an attachment to the labour market (though this depends on whether they arrive through the Temporary Foreign Worker Program or the International Mobility Program). However, like international students, they have limited access to government-funded settlement services. Such services are designed to provide newcomers with the supports they need to integrate into society and can make it easier for temporary residents to qualify for immigration. For example, federal and provincial programs have minimum language requirements that candidates must meet to qualify for permanent residence; however, in the absence of language supports during their time in Canada, some temporary residents may be ineligible to apply to these programs. Foreign workers, for instance, may not qualify because they do not meet minimum language requirements. And even if they qualify for an immigration program, temporary residents might still struggle to find work. For example, an interviewee in New Brunswick said that while the province has a large population of francophone international students, they often need to learn English to enhance their employability.

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\(^{22}\) Brigley, 2016 Graduate Retention Study.

\(^{23}\) Memorial University of Newfoundland, Entrepreneurship Training Program (ETP).
As highlighted in Chapter 4, temporary residents are ineligible for federally funded settlement services, while like their counterparts across Canada, the Atlantic provinces offer limited services to temporary residents.  

Access to services for temporary residents in Atlantic Canada depends on the province and type of locale they are in. Commonly, services are available, but access to language training is restricted and fewer services overall are available in rural communities. Limited government supports are due to the fact that most temporary residents leave Canada and it is already very expensive to fund services for immigrants. For example, the federal government’s national settlement spending has quadrupled since the 2000–01 fiscal year to some $1.174 billion in its 2016–17 fiscal year.

Given how important settlement services are to the success of newcomers, addressing services gaps for temporary residents will buttress efforts to retain more of them in the Atlantic region. One SPO official said that the federal government could list temporary residents as eligible clients. This would not require the federal government to spend more money, but it would allow SPOs to offer federally funded services to temporary residents looking to access them. The federal government could also look to roll out a Caregiver Program model across Canada targeted at specific types of temporary residents who align with its policy priorities. Caregivers can access federally funded services as temporary residents, since most of them go on to gain permanent residence. While it would be unaffordable to make the services accessible to all of Canada’s temporary residents, the federal government could look to offer it to foreign workers and international students in high-demand occupations and sectors who declare the intention of wanting to apply for immigration. Also, provincial governments could look to increase investments in settlement services for temporary residents. Given their budgetary constraints, the provinces could focus the increased spending on key areas such as language training.

24 Canadian Council for Refugees and others, *Migrant Workers.*
25 Ibid.
26 El-Assal, *A New Era.*
Conclusion

Atlantic stakeholders from various sectors—governments investing more resources to recruit and settle immigrants, and post-secondary institutions, SPOs, and business groups providing supports so that newcomers develop networks, find jobs, and feel at home in the community—are playing an active role in welcoming more immigrants to the region. Nonetheless, there are several ways that stakeholders can buttress these efforts. Atlantic Canada has a friendly population, but according to interviewees, more work is needed to help those in the region understand how immigration benefits them. The Atlantic region also has selling points that can be very appealing to prospective immigrants, and it would be beneficial to create more awareness among prospective immigrants as to why they should choose to call the region their new home. While Atlantic Canada has attracted more immigrants in recent years, it could focus its selection efforts on those more likely to remain in the region. Finally, given that temporary residents are an ideal source of immigrants, the Atlantic region would benefit from devoting more energy to attaching international students to the labour market and addressing settlement support gaps for temporary residents.
CHAPTER 6

Toward a Prosperous Future

Chapter Summary

- Immigration is a major part of the solution to spurring demographic and economic growth to ensure a prosperous future in Atlantic Canada.

- Despite the region's immigration challenges, there are reasons for optimism.

- Canada's immigration experiences show us that it is possible for Atlantic Canada to develop its immigration capacity to successfully attract and retain more immigrants.
Atlantic Canada has the oldest population in the country. This, coupled with its low birth rate and outmigration, is resulting in weak population and labour force growth that is hampering its economic growth even as health care costs rise due to its aging population. Lack of labour force growth could result in an even more dire economic outlook. Thus, increasing its immigrant population and supporting newcomers so that they make lasting economic and social contributions is a major part of the solution to ensuring a prosperous future in Atlantic Canada.

Despite the region’s immigration challenges, there are reasons for optimism. The Atlantic region’s immigrant attraction and retention rates are higher than they were in the early 2000s when all four provinces started to engage more in the area. In 2016, the region welcomed five times as many immigrants as it did in 1999 and retention rates are higher. These improvements are largely due to stakeholders collaborating to make the region more welcoming for newcomers. We have seen these efforts in action since November 2015, when the region began to welcome more Syrians. And there are more promising initiatives to come. For instance, public and private sector stakeholders in New Brunswick are launching a three-year social innovation lab that will develop creative solutions to enhance immigrant attraction and retention in the province.¹

While boosting immigration in the Atlantic region appears to be a daunting task, and some may feel that it is an exercise in futility, it is important to remember that in comparison with the rest of Canada’s provinces, the region remains fairly new to developing and pursuing immigration strategies. Fortunately, other provincial examples show us that a jurisdiction can build capacity to attract and retain higher levels of

¹ www.noulab.org.
immigrants. While every province has its unique demographic, economic, and social context, Manitoba and Saskatchewan, whose population sizes are both comparable to Nova Scotia’s, have shown us that it is possible for a province to increase its immigration capacity in a relatively short period of time. Over the past 20 years, Manitoba’s annual immigrant intake has quadrupled, while Saskatchewan’s has increased sevenfold. If we go back even further, to the 19th century, we realize that in the early decades following Confederation, Canada had little success attracting and retaining immigrants until the necessary conditions began to fall into place toward the end of the century.

The key take-away is that immigration capacity can be built through the investment of time and money, as well as trial, error, and collaboration—and Atlantic Canada is no exception to this rule.

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APPENDIX A

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—. CANSIM tables 054-0001 to 054-0017. *Income of Immigrants, by Sex, Landing Age Group, Immigrant Admission Category, Period of Immigration, Family Status and Tax Year, 2014 Constant Dollars*.


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