

Final Destination or a Stopover: *Attracting Immigrants to Saskatchewan* by Pavel Peykov

The Government of Saskatchewan has recently announced the expansion of the Saskatchewan Immigrant Nominee Program (SINP). The Minister responsible for Immigration, Pat Atkinson, announced on May 6, 2004 that, in the following months, the program would open up to more foreign students, skilled workers and business owners who wish to settle in Saskatchewan. Under the expanded SINP, the provincial government hopes to attract around 1,000 new immigrants (principal applicants and their families) in 2004-05, which would exceed nominations in previous years¹.

For more than a century, Saskatchewan has been an attraction to immigrants from all over the world who looked to find a place to live, work, raise their families and retire. In the early days, the majority of settlers arrived from Europe and the United States, encouraged by cheap farmland. Immigration was an important part of the overall goal of establishing the Canadian nation and creating conditions for economic growth and social integration. Thousands of new immigrants arrived in Saskatchewan in the late nineteenth and early twentieth century in search of a better life for themselves and their families. By 1935, the province's population had exceeded 900,000, but since then it has been growing at a much slower rate until it levelled off in the 1980s at around one million people, despite the diversification of the provincial economy and available opportunities in new industries.

In recent years, however, the flow of immigrants to Saskatchewan has been on a downward trend.

The majority of new immigrants to Canada head for the major cities of Toronto, Montreal and Vancouver. In fact, according to Statistics Canada, between 1991 and 2001, almost 9 out of 10 new immigrants settled in Ontario, British Columbia and Quebec². Not only do fewer immigrants now make Saskatchewan their home, but there is also a significant number of residents migrating out of the province, with Alberta as the most preferred destination. These trends, coupled with an aging population in Saskatchewan, pose serious problems for the long-term economic and demographic sustainability in the province. A possible solution for addressing both the economic and demographic problems is to attract more immigrants. This could be achieved through a joint and collaborative effort from government, non-profit and community-based organizations, and industry, which might develop a common strategy to attract new immigrants and help them to settle in Saskatchewan.

This Briefing Note attempts to explore some of the issues relating to immigration in Saskatchewan that affect the province's future economic and social development. The Briefing Note also provides useful information on the historical patterns and current trends of immigration to Saskatchewan, out-migration flows and the overall demographic situation in the province. It does not, however, attempt to offer a comprehensive strategy to overcome the challenges with regards to immigration policy and the changing demographic profile of Saskatchewan. Rather, it identifies areas where more attention and effort are needed.

Saskatchewan Institute of
Public Policy
University of Regina,
College Avenue Campus
Gallery Building, 2nd Floor
Regina, Saskatchewan S4S 0A2



General Inquiries: 306.585.5777
Fax: 306.585.5780
sipp@uregina.ca
www.uregina.ca/sipp

¹ Executive Council, Government of Saskatchewan, *Saskatchewan Expanding Immigration Program*, News Release, May 6, 2004.

² Statistics Canada, *Proportion of foreign-born, Canada, provinces and territories, 1991, 1996 and 2001*.

Population and Immigration Trends

In August 2003, Doug Elliott prepared a comprehensive statistical report, *Demographic Trends in Saskatchewan*, for the Department of Government Relations and Aboriginal Affairs on the demographic profile of Saskatchewan, including statistics on population, migration and immigration. The Report provides a detailed analysis of projected population growth and movement in and out of the province, all of which have important implications for the labour market in Saskatchewan. With the possibility of a general labour-force shortage, as the baby-boom generation is set to retire, the Report is a valuable tool for identifying areas of concern and designing policy on attracting and retaining people in those areas.

The population of Saskatchewan has been relatively constant in the last twenty years, near or slightly over the one million mark. Saskatchewan has the highest proportion of children and youth (0 - 14 years of age) and seniors (65+ years of age) of all the Canadian provinces. In other words, there are relatively fewer people in Saskatchewan, compared to other provinces, in the 15 to 64-year category, which means a smaller labour-force in the future. According to Doug Elliott's Report, 21.2 per cent of the population is between 0 and 14 years of age, while 15 per cent are 65+ years of age. Moreover, the average worker age in Saskatchewan is the highest in the country – 39.8 years in 2001, as a result of a 22-per cent growth in the 45-64 year-old workforce and more than a 22 per cent decline in the 20-34 year-old workforce³. To put this in perspective, we look at the elderly dependency ratio, which shows the size of the 65+ year-old population as a percentage of the 15-64 year-old working-age population. The elderly dependency ratio for Saskatchewan is 24 per cent and is expected to increase to 43 per cent by 2040⁴. This means that Saskatchewan will have fewer people in the 'tax-paying' group once the baby-boom generation enters the period of retirement. However, the high percentage of children and youth in Saskatchewan represents a "competitive advantage" over other provinces in terms of more future working-age individuals and the potential for high labour-force participation rates.

In his Report, Doug Elliott also presents a profile of immigration to Saskatchewan. Between 1997 and 2002, a total of 8,565 immigrants settled in the province⁵. Skilled workers, family class, and refugees are the predominant majority of immigrants in the province. Refugees are the most numerous group, accounting for 34 per cent of the total immigrant population, while skilled workers represent 33 per cent of the total, and family class immigrants account for 24 per cent. The remaining group comprised business persons, provincial nominees and 'other' immigrants. Unfortunately, Saskatchewan does not seem to be a preferred destination for immigrants, especially among skilled workers. The province accounts for 3.2 per cent of the total Canadian population, yet it receives less than 1 per cent of the immigrants to the country. Saskatchewan also has one of the lowest immigrant retention rates in Canada. Fifty-seven per cent of all who immigrated between 1991 and 2001 still resided in Saskatchewan in 2001, compared to the national average retention rate of 82 per cent. Only Newfoundland, Prince Edward Island and Nova Scotia have lower retention rates for the same period. In addition, the number of immigrants to Saskatchewan, as a percentage of the total population in the province, has been steadily declining over the last century. In 2001, immigrants made up 5 per cent of the Saskatchewan population, which is well below the national average of 18 per cent. In contrast, in 1930, they were approximately 35 per cent of the Saskatchewan population, which was much higher than the national average of 22 per cent⁶. Figure 1 illustrates this trend.

Another common trend in Canada, including Saskatchewan, is the aging of the population, which, coupled with low fertility rates, adds further evidence of an impending labour shortage. This fact presents serious challenges for governments as they tussle to develop and implement policies to maintain and expand the size of the labour force. For Saskatchewan, given its distinct demographic profile, it is a high priority to provide incentives to the increasing young Aboriginal population to get attached to the labour market. There are already

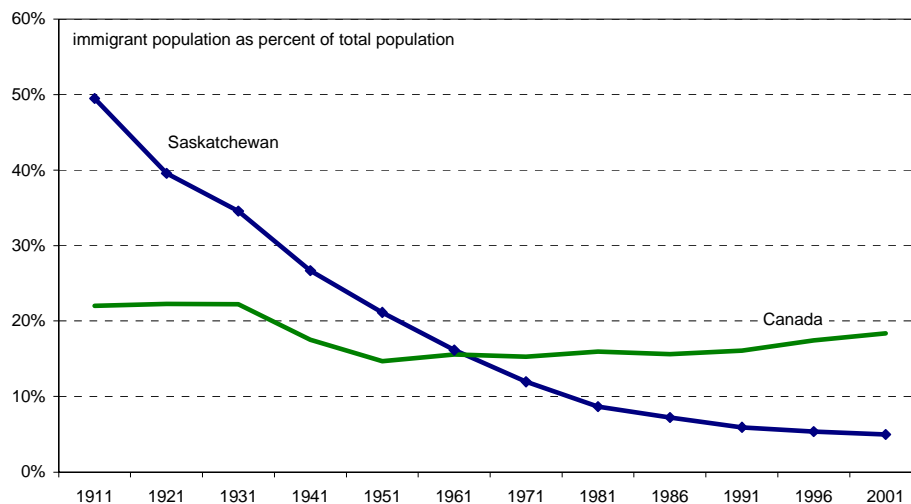
³ Janice Stokes, *Demographic Trends and Socio-Economic Sustainability in Saskatchewan: Some Policy Considerations*, SIPP Public Paper 19, October 2003.

⁴ *Ibid.*

⁵ Foreign nationals who were destined for Saskatchewan upon granting of immigrant status in Canada.

⁶ Doug Elliott, *Demographic Trends in Saskatchewan: A Statistical Analysis of Population, Migration and Immigration*, August 2003.

Figure 1 Immigrant Population as Percentage of Total Population, Canada and Saskatchewan, 1911 to 2001



Source: Doug Elliott, *Demographic Trends in Saskatchewan: A Statistical Analysis of Population, Migration and Immigration*, August 2003, p. 49.

numerous government programs and initiatives in place targeting Aboriginal peoples in Saskatchewan to obtain and enhance their education and skills training in order to improve their prospects of finding employment. However, to ensure that the young Aboriginal population reaches its full academic and employment potential, there must be a continuous, concerted effort on the part of government, employers, the Aboriginal and non-Aboriginal communities.

Doug Elliott projects that over the next 10-15 years, approximately 30,000 to 40,000 Aboriginal persons will enter the labour force, which will have a major impact on the labour market in the province. To fill all the vacancies left by the retiring baby-boom generation, however, the province will need an extra at least 10,000, and as many as 70,000 workers⁷. Therefore, Saskatchewan needs an additional strategy to increase its working-age population. The only plausible solution to the problem is through increased immigration. This could be achieved by expanding the provincial immigrant nominee program and providing incentives to potential immigrants to settle in Saskatchewan.

Immigration Policy in Canada

The majority of potential immigrants to Canada today apply through a selection program administered by the federal government. The governing legislation is the Immigration and Refugee Protection Act, which took effect on June 28, 2002, replacing the Immigration Act. The new legislation encourages foreign nationals, who possess skills that are in demand or who are willing to invest or establish a business in Canada, to apply for permanent residence. At the same time, the Act facilitates family reunification and provides a safe haven for refugees, while refusing those who are considered a threat to the country's security and the welfare of Canadian citizens.

The different categories under which foreign nationals can apply for permanent residence in Canada are designed to meet labour-market needs and reflect the values and traditions of Canadian society, such as diversity, multi-culturalism and compassion. Currently, permanent residence visas are issued at Case Processing Centres outside the country where applicants submit their

⁷ The projected labour-shortage number depends on assumptions about labour-force participation rates, inter-provincial flows of working-age individuals, and mortality rates. 10,000 is an optimistic and 70,000 is a conservative estimate.

documents and undergo screening to determine their eligibility. Normally, foreign citizens apply in their country of birth or permanent residence, however, those who already reside in Canada are able to apply in the Canadian Consulate in Buffalo, New York. In 2002, a total of 203,947 immigrants and 25,111 refugees were given permanent residence in Canada⁸.

Immigrant Selection Criteria Established by Citizenship and Immigration Canada (CIC)

The Department of Citizenship and Immigration Canada is responsible for admitting immigrants in several categories – skilled worker class, family class, business class, and refugees. All applicants, except refugees, are assessed according to several criteria to determine whether they are likely to successfully settle in Canada. Skilled workers, who are by far the largest group of immigrants, are assessed on the basis of six factors, on each of which, applicants are awarded points – education, official-language proficiency, age, work experience, arranged employment in Canada, and adaptability. Family-class applicants must be sponsored by a close relative or a family member to become permanent residents. Business persons (investors, entrepreneurs and self-employed individuals) are required to demonstrate experience, proof of assets or the ability to create their own employment, and may be subject to conditions when arriving in Canada. In addition, investors are required to show proof of a minimum investment in the country. Refugees are assessed on humanitarian grounds.

Saskatchewan and the Other Provinces

To increase the flow of immigrants to parts of Canada that have been receiving lower numbers in recent years, the federal government has recently adopted a more

regionalized approach. It has signed formal agreements with eight of the provinces to establish provincial nominee programs to attract foreign citizens directly to a particular province, thus bypassing the federal immigration selection criteria and fast-tracking visa-processing. Only Ontario and Quebec do not have such agreements. Ontario has had no need to establish its own program since it has been the recipient of the largest number of recent immigrants as well as benefiting from secondary migration of immigrants originally destined for other provinces. Quebec administers a separate provincial nominee program based on the Canada-Quebec Accord, a special agreement giving Quebec full discretion over the selection of all classes of immigrants, except the family class. This decentralized approach relieves some of the burden on the backlogged federal system, and enables provinces to select applicants according to local needs and requirements. The provinces establish their own selection criteria, however, medical, security and criminal-background checks are still performed by the federal government prior to issuing a permanent residence visa.

The provincially administered program in Saskatchewan is the Saskatchewan Immigrant Nominee Program (SINP). The provincial nominee program has been in place as a pilot project since 1998 before being redesigned as SINP in 2001, and was recently extended through a separate federal-provincial agreement to 2005. SINP is an attempt to attract prospective immigrants who might be employed in occupations where there is a shortage of labour that cannot be met through domestic recruitment, education or training. SINP currently nominates applicants for permanent residence in four categories – skilled workers, health professionals, business persons and farmers. In 2003-04, 180 foreign nationals were nominated under SINP for immigrant visas⁹.

Immigrant Selection Criteria Under SINP

To qualify in the skilled-worker category, an applicant must present the necessary credentials and clearly establish

⁸ Citizenship and Immigration Canada, *Facts and Figures, Immigration by Level (Principal Applicants and Dependents)*, 2002.

⁹ Executive Council, Government of Saskatchewan, *Immigration Program Attracting More Immigrants*, News release, April 16, 2004.



Although inter-provincial migration presents some opportunities and has clear advantages over other alternatives, international immigration holds the greatest potential for attracting newcomers to the province and alleviating the anticipated future labour shortage.

the intention and ability to work in an occupation, for which there is a skill shortage in Saskatchewan. In addition, some foreign nationals may qualify under the ‘critical impact’ category, i.e. they possess unique skills, knowledge or experience that would have a positive effect on the provincial economy, or under the “existing work permit” category, where the applicant is a temporary foreign worker whose employer wishes to retain them on a permanent full-time basis. It should be noted, however, that to qualify as a provincial nominee in the existing work permit category, an applicant must have worked for at least six months on an authorization issued by CIC and approved by Human Resources and Skills Development Canada (HRSDC). The latter could involve a prolonged process with a relatively small chance of success, because the employer must first openly advertise the position, in which a foreign national is seeking HRSDC’s confirmation of permanent employment, and then demonstrate that there are no Canadian citizens and permanent residents qualified for that position. In the category of health professionals, only physicians and nurses who have been certified by the relevant professional licensing authority are eligible to apply for a provincial nomination after working in Saskatchewan for at least six months. Business persons and farmers are subject to similar requirements as under the federal immigration program, i.e. they have to demonstrate relevant experience, prove that they have a minimum amount of asset holdings, and present a viable business plan. Moreover, in the farm owner-operator category, they are required to visit Saskatchewan at least once and familiarize themselves with the local economic conditions before making an offer to purchase a Saskatchewan farm.

Despite the recent expansion of SINP, the program still offers relatively limited opportunities for immigration. At the moment, the quota for immigrants in all categories negotiated with the federal government stands at only 200 people annually, although the provincial government targets 300 for 2004-05. This is a low number, given the projected future labour shortage and the implications of an aging population for Saskatchewan. Moreover, SINP has never filled its quota for provincial nominations, despite the fact that between 2002-03 and 2003-04 the number of provincial nominations more than tripled¹⁰. The SINP quota will be re-negotiated as part of the new Canada-Saskatchewan Immigration Agreement to be signed in the fall of 2004.

Manitoba, in comparison, has been pursuing a much more aggressive strategy to recruit skilled workers and business immigrants in recent years, and has had its quota continuously increased by the federal government. In 2002, Manitoba accepted the largest number of provincially nominated immigrants in Canada, 1,519, which speaks to the province’s commitment to attracting foreign nationals as an effective tool for meeting local labour and economic needs. Prior to the latest Canada-Manitoba agreement, signed in 2003, which abolished the limit on provincial nominations, Manitoba could accept up to 1,500 immigrants under the federal-provincial agreement. As a result of its aggressive and effective approach to immigration, Manitoba receives federal funds for the administration and delivery of settlement services, and has more discretion in determining its immigration planning policy.

¹⁰ Executive Council, Government of Saskatchewan, *Immigration Program Attracting More Immigrants*, News release, April 16, 2004.



Skilled workers bring knowledge, training and experience to Saskatchewan, and contribute directly to the provincial economy.

How Can Saskatchewan Attract and Retain More Immigrants?

While this Briefing Note does not attempt to present a comprehensive strategy for increasing the flow of immigrants to Saskatchewan, it identifies possible avenues that might be considered. New immigrants come to Saskatchewan from abroad or other provinces (including returning residents). Although inter-provincial migration presents some opportunities and has clear advantages over other alternatives, international immigration holds the greatest potential for attracting newcomers to the province and alleviating the anticipated future labour shortage.

In a report on migration and immigration to Saskatchewan, titled *Open Up Saskatchewan* and published in September 2003, Pat Lorje, the then MLA for Saskatoon Southeast, discussed a number of strategies to increase the population of the province, including international immigration. One of the areas with a great potential for growth is the category of skilled workers. Skilled workers bring knowledge, training and experience to Saskatchewan, and contribute directly to the provincial economy. Many of them are ready to join the labour force immediately upon arrival, even though they are expected to take time to settle and organize their affairs in a new country. Skilled workers do encounter problems, however, particularly in the early stages after their relocation. Insufficient knowledge of English and non-recognition of certain professional credentials obtained abroad, without further education, such as for engineers and accountants, are among the most serious. English is the primary language of communication in Saskatchewan and, although prospective immigrants are expected to be proficient in it (many of them go through an interview in English before being granted permanent residence), language is still a barrier to employment. Other problems include difficulties in social integration in local communities as well as cultural challenges and unfamiliarity with local labour-market conditions.

Provincially nominated skilled workers are selected under the SINP and their skills must be on the Designated Skills Shortage List, compiled by the Immigration Branch of the Saskatchewan Department of Government Relations and Aboriginal Affairs. The Designated Skills Shortage List, however, contains only a limited number of occupations, and does not adequately reflect current labour-market needs. It must be noted, however, that the Designated Skills Shortage List is expected to be lengthened in the coming months to include more occupations. Another category under SINP that holds potential for increasing the immigration flow to Saskatchewan is business persons. Investors, entrepreneurs and self-employed individuals bring capital and expertise that are invaluable for the long-term sustainability and diversification of the Saskatchewan economy. At the moment, however, there is a very small number of applicants nominated under this category (43 in 2002). Pat Lorje suggests that the business category be expanded by allowing potential business immigrants to invest and manage enterprises that would directly compete with Saskatchewan companies. This would address succession issues for existing Saskatchewan businesses that might close up shop without a change in ownership. In addition, foreign entrepreneurs should be allowed to participate in other than the key economic sectors in the province in order to stimulate diversification. In this respect, the provincial government's intention to open up SINP to more skilled workers and business owners is a step forward.

Finally, Saskatchewan could develop a more comprehensive plan to retain foreign students upon completion of their postsecondary studies. This is a group that has some important advantages over other immigrants, who have obtained permanent immigrant visas before arriving in Saskatchewan. Foreign students at educational institutions are competent in the English language and, therefore, would encounter fewer language-related problems in terms of finding employment. They

are also immersed in the Canadian culture through their studies, and are better equipped to overcome social and cultural challenges once they become immigrants. This gives them a competitive edge over other immigrants in the search and retention of jobs. In addition, foreign students are more likely to find employment in their fields of study without having to re-qualify. Unfortunately, under existing Canadian immigration law, foreign students are not encouraged to stay in the country and apply for permanent residence. In terms of employment and gaining Canadian work experience, the only legislative provision made is to allow foreign students to work for up to two years after graduation. By allowing foreign students who, upon graduation, find employment in Saskatchewan to apply under SINP, the provincial government is making a serious attempt to provide greater access to SINP for foreign students, but it remains to be seen how effective this change will be. It is also important to address some of the problems with retaining foreign students in Saskatchewan, such as the large unawareness of existing job opportunities among foreign students and the difficulties in securing permanent full-time employment.

Conclusion

Canada takes pride in its multi-cultural and diverse society, a large portion of which is a product of immigration. Immigration is an important source of labour, economic growth and long-term sustainability in the country. However, in order to maximize the benefits associated with immigration, a coherent strategy, that is responsive to the needs of the Canadian economy and

society, must be in place. The strategy must also account for the uneven distribution of the immigrant population across Canada and contain provisions to encourage settlement in regions that are currently less attractive to immigrants.

Although a province with large economic and social potential, Saskatchewan has not received its fair share of immigrants in recent years. To attract and retain more immigrants, the province needs to be more aggressive in its current selection policy and provide a greater incentive to foreign nationals to relocate to Saskatchewan. Saskatchewan was initially built by immigrants and its future may be a lot brighter if it can once again attract large-scale immigration as it did in the past.

References

- Citizenship and Immigration Canada, Facts and Figures, *Immigration by Level (Principal Applicants and Dependents)*, 2002.
- Elliott, Doug, *Demographic Trends in Saskatchewan: A Statistical Analysis of Population, Migration and Immigration*, August 2003.
- Executive Council, Government of Saskatchewan, *Immigration Program Attracting More Immigrants*, News Release, April 16, 2004.
- Executive Council, Government of Saskatchewan, *Saskatchewan Expanding Immigration Program*, News Release, May 6, 2004.
- Lorje, Pat, *Open Up Saskatchewan; A Report on International Immigration and Inter-Provincial In-Migration Initiatives to Increase the Population of the Province of Saskatchewan*, September 2003.
- Statistics Canada, *Proportion of foreign-born, Canada, provinces and territories, 1991, 1996 and 2001*.
- Stokes, Janice, *Demographic Trends and Socio-Economic Sustainability in Saskatchewan: Some Policy Considerations*, SIPP Public Paper 19, October 2003.

Our Author: Pavel Peykov, SIPP Policy Analyst

Pavel Peykov joined the Institute during the summer of 2002. His education includes a Bachelor of Arts (Honours) in Business Administration from the University in North London, London, England and a Master of Arts in Economics from the University of Regina. He is currently working towards a Master of Public Administration from the University of Regina. For more information, please call Pavel at (306) 585-5862.

Previous SIPP Publications by Pavel Peykov include: Public Policy Paper 18, *Labour Issues in the Provision of Essential Services*; Briefing Note 5, *The Challenge of Compliance: Privacy Protection in the Private Sector*; Briefing Note 2, *Information Management and Privacy Rights: Are We Adequately Protected Against Intrusion in Our Lives?*; and, Briefing Note 1: *Choice in Automobile Insurance: Tort vs. No Fault Coverage* (Revised).

The Saskatchewan Institute of Public Policy

Saskatchewan Institute of Public Policy
University of Regina, College Avenue Campus
Gallery Building, 2nd Floor
Regina, Saskatchewan • S4S 0A2



General Inquiries: 306.585.5777
Fax: 306.585.5780
sipp@uregina.ca
www.uregina.ca/sipp

www.uregina.ca/sipp

The Saskatchewan Institute of Public Policy (SIPP) was created in 1998 as a partnership between the University of Regina, the University of Saskatchewan and the Government of Saskatchewan. It is, however, constituted as an institute at the University of Regina. It is committed to expanding knowledge and understanding of the public-policy concerns in Canada with a particular focus on Saskatchewan and Western Canada generally. It is a non-profit, independent, and non-partisan Institute devoted to stimulating public-policy debate and providing expertise, experience, research and analysis on social, economic, fiscal, environmental, educational, and administrative issues related to public policy.

The Institute will assist governments and private business by supporting and encouraging the exchange of ideas and the creation of practical solutions to contemporary policy challenges. The Founding Partners intended the Institute to have considerable flexibility in its programming, research, contracting and administration so as to maximize opportunities for collaboration among scholars in universities and interested parties in the public and private sectors.

The Institute is overseen by a Board of Directors drawn from leading members of the public, private and academic community. The Board is a source of guidance and support for SIPP's goals in addition to serving a managerial and advisory role. It assists SIPP with fostering partnerships with non-governmental organizations, the private sector and the expanding third sector.

Saskatchewan enjoys a long and successful tradition of building its own solutions to the challenges faced by the province's citizens. In keeping with this tradition, the Saskatchewan Institute of Public Policy will, in concert with scholars and practitioners of public policy, bring the best of the new ideas to the people of Saskatchewan.

THE SIPP BRIEFING NOTE

The SIPP Briefing Note series allows the Institute to review and comment on public-policy issues that affect the people of our community. A SIPP Briefing Note will be released several times a year and can be used as an instrument for further discussion and debate.

JANUARY 2004 - Aboriginal People with Disabilities: A Vacuum in Public Policy

DECEMBER 2003 - The Challenge of Compliance: Privacy Protection in the Private Sector

OCTOBER 2003 - Filling the Empty Vessel: Defining the Mandate and Structure of a Council of the Federation

SEPTEMBER 2003 - The Art of the Possible: The Interpersonal Dimension of Policy-Making in the Case of the Northern Development Accord

JUNE 2003 - Information Management and Privacy Rights: Are we Adequately Protected Against Intrusion in Our Lives?

DECEMBER 2002 - Choice in Automobile Insurance: Tort vs. No Fault Coverage

