

Chapter 3

Department of Post-Secondary Education, Training and Labour Immigration with the Provincial Nominee Program

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Department of Post-Secondary Education, Training and Labour Immigration with the Provincial Nominee Program

Main points

3.1 The purpose of this chapter is to inform the Legislative Assembly about the work we did on immigration with the Provincial Nominee Program (PNP), which is administered by the Population Growth Secretariat, Department of Post-Secondary Education, Training and Labour. The immigration process is complex. There are areas in this chapter where details have intentionally been omitted for the purpose of simplicity.

3.2 It is with pleasure we report the Secretariat provided full cooperation during our work. This section highlights significant observations.

Highlights

3.3 Some of our observations and comments include the following.

- The Secretariat has identified and documented significant strategic measures for New Brunswick's Provincial Nominee Program. The purpose of the program is clearly stated and is consistent with the purpose stated in the *Canada – New Brunswick Agreement*.
- The PNP has a consistent approach to processing applications in a timely manner and managing documents.

- Program monitoring is lacking. There is no consistent approach to determine if nominees immigrate to New Brunswick. The program does not have procedures to monitor the retention of nominees, those who stay in New Brunswick as permanent residents. The PNP does not have information regarding the number or percentage of skilled-worker nominees who maintain full-time employment in New Brunswick and the number or percentage of business applicant nominees that follow through with their business plans and make the required financial investment into a New Brunswick business.
- The Secretariat does not have documented policies for the program. Although the Secretariat informed us it follows the Province's policy on "*Conflict Of Interest*", there is a need to improve staff members' understanding of the policy and how it applies to the PNP and their work with the program. Documented procedures are inadequate for program monitoring, pilot projects, program evaluation, and publicly reporting on the PNP's performance.
- Pilot projects are not adequately documented and evaluated. In particular, the pilot project for Chinese business applicants had several weaknesses.
- The Secretariat announced changes to the PNP in February 2010; one of the changes was a new requirement in the business applicant category. As a sign of intent, the nominee must provide a conditionally refundable deposit of \$75,000 to the Province. There are risks relating to the \$75,000 conditionally refundable deposit that require strict monitoring.
- PNP's performance is not compared regularly to immigration objectives and targets. The targets stated in the Population Growth Strategy appear ambitious when compared to actual performance; the number of immigrants was well below the program's expectations for each of the three years from 2007 to 2009.
- The Secretariat does not have appropriate procedures to measure and report on the effectiveness of the Provincial Nominee Program. The Secretariat does not know if the PNP is achieving its objective "*to increase the economic benefits of immigration to*

*New Brunswick*¹. Since the Secretariat does not measure performance for the PNP, it is unable to publicly report the program's performance.

- The Secretariat is not complying with paragraph 7.1 of the *Canada-New Brunswick Agreement on Provincial Nominees* because it does not formally evaluate the PNP and with paragraph 7.2 because it is not monitoring nominees for three years.

Conclusion

3.4 The key element that is missing from New Brunswick's Provincial Nominee Program is monitoring. Without monitoring the nominee: the PNP is unable to measure its success and report on its performance; the PNP is subject to increased risk of program abuse, as immigrants use the program as a gateway to Canada because of its shorter processing time; and, the PNP is not complying with the *Canada-New Brunswick Agreement on Provincial Nominees*. The Secretariat is processing a lot of PNP applications. However, the benefits of this processing are unknown because the program does not measure the number of nominees that settle and contribute economically in New Brunswick.

Introduction and background information

3.5 The purpose of this section is to present the objectives of our work and provide background information on the Provincial Nominee Program in New Brunswick.

What we examined and the objectives of our work

3.6 The Provincial Nominee Program (PNP) is administered by the immigration division of the Population Growth Secretariat. The Population Growth Secretariat (Secretariat) was established in 2007 "to help reverse population decline and increase the number of people living in New Brunswick"². The Secretariat has an annual budget of approximately \$4,351,000³ of which approximately \$1.1 million is allocated to the immigration division. The Secretariat is the responsibility of the Minister of Post-Secondary Education, Training and Labour. For more information on the Population Growth Secretariat, see its web site: www.gnb.ca/3100/.

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1. *Canada-New Brunswick Agreement on Provincial Nominees*
 2. Office of the Premier/Business New Brunswick, News Release: *New Brunswick to establish Population Growth Secretariat*, February 2007.
 3. Province of New Brunswick, *Main Estimates 2010-2011*, December 2009, page 36.

3.7 The purpose of the PNP is stated as follows, “*As an economic program, the New Brunswick Provincial Nominee Program seeks immigrants who have the qualifications and resources to live in New Brunswick and make a positive contribution to the provincial economy.*”⁴ A PNP applicant must make a commitment to settle permanently in New Brunswick.

3.8 We began our work during 2009 and reported our findings to the Department in October 2010. When we started our work, the Population Growth Secretariat reported to the Minister of Business New Brunswick. This changed in April 2010, and the Population Growth Secretariat now reports to the Minister of Post-Secondary Education, Training and Labour.

3.9 The objectives of our work were:

- *to determine whether the Secretariat has identified and documented significant planning measures for New Brunswick’s Provincial Nominee Program;*
- *to determine whether the Secretariat has adequate processes and controls for delivering the Provincial Nominee Program in New Brunswick and to determine if they support the program in achieving its objective “to increase the economic benefits of immigration to New Brunswick”⁵; and*
- *to determine whether the Secretariat measures performance for the Provincial Nominee Program and to determine if it publicly reports the program’s performance.*

3.10 We conducted the audit in accordance with the assurance standards recommended by the Canadian Institute of Chartered Accountants. Accordingly we included tests and other procedures we considered necessary to obtain sufficient and appropriate evidence to support our conclusions.

4. Website: www.beinthisplace.ca, Immigrating and Settling > How to immigrate > New Brunswick Provincial Nominee Program.

5. *Canada-New Brunswick Agreement on Provincial Nominees.*

The Provincial Nominee Program in New Brunswick – background information

Immigration is a shared responsibility

3.11 *“Immigration plays an important role in the economic, social, and cultural development of Canada. According to Statistics Canada, immigration accounted for two thirds of Canada’s population growth in 2006. At the same time, the existing population is aging and the working population, a diminishing proportion of the total, could become too small to respond to the economic and labour market needs of the country. The federal government has determined that immigration is part of the solution, both now and in the future. However, in attracting economic immigrants, Canada must compete with many industrialized countries facing similar circumstances.”⁶*

3.12 Citizenship and Immigration Canada (CIC) is a department within the federal government, which is responsible for immigration. It offers different programs to help an individual immigrate to Canada. The Provincial Nominee Program is one of their programs.

3.13 CIC states the following on the Provincial Nominee Program on their website.

Persons who immigrate to Canada under the Provincial Nominee Program have the skills, education and work experience needed to make an immediate economic contribution to the province or territory that nominates them. They are ready to establish themselves successfully as permanent residents in Canada. To apply under the Provincial Nominee Program, applicants must be nominated by a Canadian province or territory.⁷

3.14 For more information on CIC and immigration programs, see their web site: www.cic.gc.ca/.

Provincial agreement

3.15 The Provincial Nominee Program started in New Brunswick in 1999, when the Province of New Brunswick signed an agreement with the Government of Canada. The agreement defines the roles and responsibilities of the two parties and was renewed in 2005 for an indefinite period.

6. Report of the Auditor General of Canada to the House of Commons - Chapter 2 Selecting Foreign Workers Under the Immigration Program, 2009, page 5.

7. CIC website: www.cic.gc.ca/english/immigrate/provincial/index.asp.

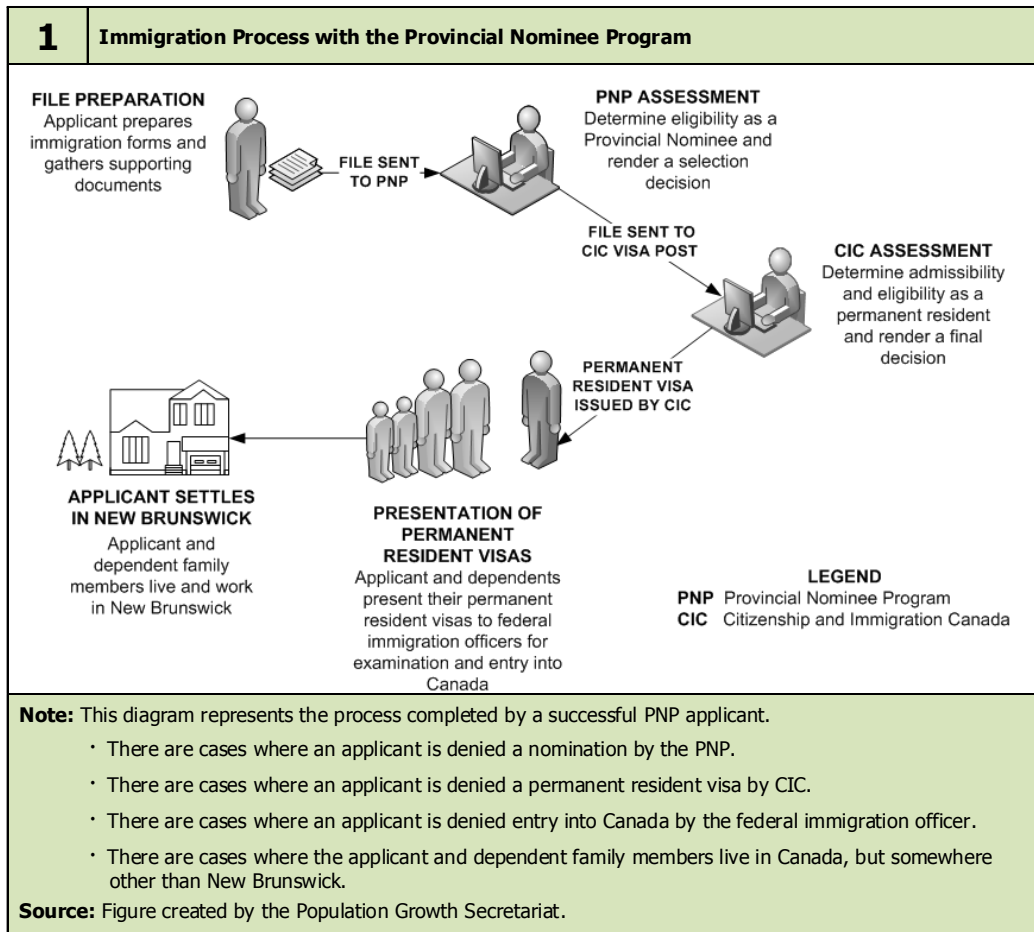
The immigration process with the Provincial Nominee Program (PNP)

3.16 PNP staff members promote the program and recruit potential immigrants, process applications, make nomination decisions and forward nominations to Citizenship and Immigration Canada (CIC) visa offices around the world, where the federal immigration application is processed.

3.17 Being a nominee does not guarantee the issuance of a permanent resident visa by CIC. Nominees must meet all Canadian immigration regulations including a medical examination and security and criminal checks. CIC makes a final decision and issues a permanent resident visa to successful applicants. The permanent resident visa has an expiry date; so once issued, the immigrant has less than twelve months to move to Canada. Box 1 shows an overview of the immigration process.

3.18 Shorter processing time is the incentive for immigrant applicants to use the PNP. The *Canada-New Brunswick Agreement on Provincial Nominees* states, “*This Agreement permits the processing and admission to Canada of candidates nominated by New Brunswick for permanent residence as expeditiously as possible, ...*”. Information on immigrating with the PNP, provided on the web, states, “*Processing times vary, however, successful provincial nominee applicants typically receive permanent resident status considerably faster than individuals applying through other immigration programs.*”⁸

8. *Frequently asked questions about the New Brunswick Provincial Nominee Program* from the web site: www.beinthisplace.ca, Immigrating and Settling > How to immigrate.



Statistics

3.19 Statistics for the PNP are shown in box 2.

2 Statistics on the Provincial Nominee Program in New Brunswick (1999 – Dec. 31, 2009)		
	Number	Comment
Applications	3,562	Representing 10,737 potential immigrants
Nominees (approved applications)	2,621	Resulting in 7,867 potential immigrants. There were an additional 521 application files in process (awaiting nomination decision) at Dec. 31, 2009. There were 420 application files that had been withdrawn, rejected or closed at Dec. 31, 2009.
Landed Nominees	1,876	“Landed” means the immigrant arrived in Canada. It usually takes 1-3 years following the nomination decision for the immigrant to land; and, it often takes longer.
Total Landed Immigrants from PNP	5,509	This figure includes PNP nominees plus their spouses and children.
Source: Chart prepared by the Office of the Auditor General with information provided by the Population Growth Secretariat. Figures not audited.		
Note: Figures in this chart were provided in March 2010. As of August 2010, the Population Growth Secretariat informed us that the “Landed Nominees” figure had been revised to 1889 and the “Total Landed Immigrants from PNP” figure had been revised to 5,540. The increase of 13 landed nominees is not reflected in this report.		

The PNP has two categories of applicants

3.20 *“The New Brunswick Provincial Nominee Agreement allows New Brunswick to select qualified applicants with specialized occupational or entrepreneurial skills needed in our province.”⁹*

3.21 Applicants with specialized occupational skills fit into the “skilled worker” category. *“To be considered under the New Brunswick Provincial Nominee Program, a skilled worker must have a guaranteed offer of employment from a New Brunswick employer (skilled worker with employer support) or have family members who are citizens and permanent residents of New Brunswick, who have been living and working in the province for a minimum of one year, and who have made a commitment to assist you to settle in New Brunswick (skilled worker with family support).”¹⁰*

3.22 Applicants with entrepreneurial skills fit into the “business applicant” category. *“To be considered under the New Brunswick Provincial Nominee Program, a business applicant must have a business plan or business proposal approved by a New Brunswick*

9. Website: www.beinthisplace.ca, Immigrating and Settling > How to immigrate.

10. *Frequently asked questions about the New Brunswick Provincial Nominee Program* from the web site: www.beinthisplace.ca, Immigrating and Settling > How to immigrate.

[government] official that is deemed to be of economic benefit to the Province.”¹¹

3.23 Box 3 shows the PNP application categories with their eligibility requirements. Additional information on the financial requirements for business applicants are summarized in Box 4.

11. Ibid.

3 PNP Application Categories and Eligibility Requirements	
<p>All applicants:</p> <ul style="list-style-type: none"> • are assessed for eligibility criteria (age, language ability, education, work experience and adaptability); and • must make a commitment to reside in New Brunswick, with their dependents, and are required to sign a declaration confirming their intention to live and work in this Province. 	
PNP Category	Requirements
<p>Skilled Worker applicants:</p> <p>A. Skilled Worker with Employer Support</p>	<ul style="list-style-type: none"> ▪ Have an offer of permanent, full-time employment with an established New Brunswick company. ▪ The work offered is in an area of skill shortage. ▪ The job offer meets New Brunswick employment standards. ▪ The job offer must provide comparable industry rates of pay. ▪ Have all of the qualifications and/or licenses needed to fulfill the job duties. ▪ Have the English, French or both language skills required to fulfill your job duties.
<p>B. Skilled Worker with Family Support</p>	<ul style="list-style-type: none"> ▪ A family supporter who is a citizen or permanent resident of New Brunswick, who has been living and working in the province for a minimum of one year, and who has made a commitment to assist your settlement in New Brunswick. ▪ Both the Applicant and the Family Supporter will be assessed, as both are critical to the success of the Nomination. The Applicant will be assessed on an offer of full-time employment or employment skills based on education and training, language skills, work experience, age and ability to adapt to New Brunswick, surrounded by a supportive family. The Supporter will be assessed on his/her commitment to the immigration process and to the successful settlement of his/her family member. The Supporter will also be evaluated for strong connection to New Brunswick.
<p>Business applicant</p>	<ul style="list-style-type: none"> ▪ Demonstrate business management experience as an owner or senior manager. ▪ Provide strong evidence that you will live in New Brunswick with your dependents, establish a business in New Brunswick and assume an active managerial role in the business. ▪ Complete an exploratory visit to New Brunswick. (You will visit New Brunswick for a period of no less than five business days, to conduct extensive research and complete an interview with an Immigration Program Officer.) ▪ Your business plan or business proposal must be of economic benefit to New Brunswick, and must be approved by [a New Brunswick government official]. (Business applicants must submit a Business Plan or Business Proposal that is of economic benefit to New Brunswick. A Business Plan details how applicants will develop and operate a specific business in New Brunswick. A Business Proposal may be submitted as an alternative to a formal business plan if applicants require more time to explore business opportunities before choosing a specific business.) ▪ Provide a verified personal net worth (value of total assets, less the value of total liabilities) of at least CDN \$300,000.00. ▪ Make a minimum investment of CDN \$125,000.00. ▪ Demonstrate knowledge of English and/or French. ▪ Prior to nomination - make a CDN \$75,000.00 conditionally refundable deposit. (Effective February 2010)
<p>Source: web site: www.beinthisplace.ca, Immigrating and Settling > How to immigrate > New Brunswick Provincial Nominee Program.</p>	

4	Financial Requirements for "Business Applicants"
<p>How much personal net worth must I have to qualify as a business applicant? You will provide a verified personal net worth of at least CDN \$300,000.00. The actual amount of the funds required will depend upon the planned business venture in New Brunswick. This amount includes the minimum required investment of CDN \$125,000.00 to start the business and [sufficient funds to] settle your family members for up to two (2) years without third party assistance. Personal net worth is defined as the value of your total assets, less the value of total liabilities.</p> <p>How much does the NBPNP require me to invest in my business? The amount of investment you make will be determined by the type of business you establish, its size, whether it will be a new business or an existing business or an existing business in which you become an active partner. However, the investment amount must not be lower than CDN \$125,000.00.</p> <p>What is a Deposit Agreement? The Deposit Agreement specifies the terms and conditions of your agreement to make a financial investment in a business in New Brunswick. It is intended to ensure that your commitment to live in New Brunswick and manage the day-to-day operations of the business is respected. Any changes to the Deposit Agreement must be discussed and approved in writing by a representative from the New Brunswick Provincial Nominee Program before proceeding.</p> <p>When do I deposit the CDN \$75,000.00? The deposit is made to the Government of New Brunswick after a business application is approved and prior to nomination. A Deposit Agreement contract and details for making the payment are included when a letter of approval is sent to the applicant by the NBPNP.</p> <p>What if I am unable to proceed with my business venture in New Brunswick? If the business plan or proposal does not go ahead, or another approved project is not undertaken, your CDN \$75,000.00 deposit may be retained by the Government of New Brunswick.</p>	
<p>Note: Changes to the financial requirements which were implemented in February 2010 are included in the information shown above.</p> <p>Source: <i>Frequently asked questions about the New Brunswick Provincial Nominee Program</i> from the web site: www.beinthisplace.ca, Immigrating and Settling > How to immigrate > New Brunswick Provincial Nominee Program.</p>	

General information on immigrating with the PNP

3.24 General information on immigrating with the PNP is provided on the web. We emphasize the following points.

- *“The NBPNP does not charge any processing fees. If you are nominated you are responsible for all Citizenship and Immigration Canada processing fees and Right of Permanent Residence fees.”*¹² While there are no processing fees for the PNP in New Brunswick, a business applicant must make an exploratory visit to New Brunswick, must make a minimum investment of \$125,000 in the operation of a business in New Brunswick and may choose to hire an immigration representative or lawyer to help complete the application.

12. *Frequently asked questions about the New Brunswick Provincial Nominee Program* from the web site: www.beinthisplace.ca, Immigrating and Settling > How to immigrate > New Brunswick Provincial Nominee Program.

- *“It is not necessary to hire an immigration representative or lawyer to help you complete your application. The Government of New Brunswick treats everyone equally, whether you use the services of a representative or not. If you do choose to use a representative you must select an authorized representative.”*¹³

An authorized representative may be unpaid or paid. If paid, the representative must be a member in good standing of the Canadian Society of Immigration Consultants or a Canadian provincial or territorial law society. The arrangements between applicants and their representative are completely independent from the PNP.

3.25 For more information on the New Brunswick Provincial Nominee Program, see the Population Growth Secretariat’s web site: www.gnb.ca/3100/.

Planning for New Brunswick’s Provincial Nominee Program

3.26 The purpose of this section is to provide our findings and conclusion for our first objective.

3.27 The objective was:

to determine whether the Secretariat has identified and documented significant planning measures for New Brunswick’s Provincial Nominee Program.

3.28 For the purpose of this objective, we define planning measures to be actions providing a good strategic foundation for the program.

3.29 We comment on the following findings.

- Early planning documentation appears appropriate.
- The program operates under an active agreement with the Government of Canada.
- The purpose of the program is clearly stated. It is consistent with the purpose stated in the Canada – New Brunswick Agreement.

13. *Frequently asked questions about the New Brunswick Provincial Nominee Program* from the web site: www.beinthisplace.ca, Immigrating and Settling > How to immigrate > New Brunswick Provincial Nominee Program.

- The Secretariat’s documented strategy includes objectives, targets and action steps for immigration.

Conclusion

3.30 The Secretariat has identified and documented significant strategic measures for New Brunswick’s Provincial Nominee Program.

Early planning documentation appears appropriate

3.31 The PNP started in New Brunswick in 1999, when the Province of New Brunswick signed an agreement with the Government of Canada. The Secretariat provided us with the following planning documentation for implementing the program.

- *New Brunswick’s Policy on Multiculturalism (1986)* This document contains the following sections: philosophy (stating the purpose of the policy), principles, objectives for action (listing nine steps) and implementation (which calls for a Minister’s Advisory Committee and provides details on its membership, term and responsibilities).
- *Immigration Strategy and Policy - New Brunswick (1997)* “This document sets out a strategy for New Brunswick for immigration for the period 1998-2003.” ... “It includes a statement of policy and details of measures to be taken to make immigration a productive tool for building prosperity and self-sufficiency.” It also contains an analysis of costs and revenues showing the return on investment in immigration, a table with recruitment targets and a list of activities to retain immigrants.
- *Budget Provision - Immigration Strategy Implementation (1997)* This document requests funding for two positions to implement the Immigration Strategy and develop promotional and recruitment materials.
- *Status Report: Federal-Provincial Discussions – An Agreement to Support New Brunswick’s Immigration Strategy (1997)* This document reports on meetings held with federal representatives and states that a provincial nominee agreement had been drafted.

The program operates under an active agreement with the Government of Canada

3.32 *The Canada – New Brunswick Agreement on Provincial Nominees* was first signed in 1999 with a five-year term allowing two hundred immigrants each year under the new program. A very similar replacement agreement was signed in 2005, for an indefinite period, with no set limit on the number of immigrants. The agreement defines the roles and responsibilities of the two Governments.

The purpose of the program is clearly stated

3.33 The *Guide for Applicants*, which is available on the internet, clearly states the purpose of the program as follows. “*As an economic program, the New Brunswick Provincial Nominee Program seeks immigrants who have the qualifications and resources to live in New Brunswick and make a positive contribution to the provincial economy.*”¹⁴

3.34 This is consistent with the purpose stated in the Canada – New Brunswick agreement, which states the following. “*This Agreement provides New Brunswick with a mechanism to increase the economic benefits of immigration to New Brunswick, based on economic priorities and labour market conditions including regional development, by permitting New Brunswick to nominate Provincial Nominees. New Brunswick will also take into account the importance of encouraging the development of the francophone and anglophone communities in New Brunswick.*”¹⁵

The Secretariat’s strategy includes objectives, targets and action steps for immigration

3.35 The government’s *Be our future: New Brunswick’s Population Growth Strategy* (strategy) was released in February 2008, as one of several initiatives towards its objective of self-sufficiency by 2026. The documented strategy contains a vision, a mission, objectives, targets and 43 action steps for the Secretariat. Immigration is identified as a key result area within the strategy.

3.36 Several of the objectives and targets involve immigration and the PNP. (Box 5 shows the objectives of the Population Growth Secretariat as stated in the strategy.) The strategy also shows immigration targets for each year from 2006 to 2015. The target for 2006 was attracting 1500 people; the target increases by 400 immigrants each year, with an ending target of 5100 people in 2015. “*These targets are contingent on a strong economic and employment development performance.*”¹⁶

14. Province of New Brunswick, *Guide for Skilled Worker Applicants (01-2010)*, page 3 from the web site: www.beinthisplace.ca, Immigrating and Settling > How to immigrate > New Brunswick Provincial Nominee Program.

15. *Canada-New Brunswick Agreement on Provincial Nominees*.

16. Province of New Brunswick, *Be our future: New Brunswick’s Population Growth Strategy*, February 2008, Page 11.

5	Objectives of the Population Growth Secretariat
<p>The Secretariat has the following objectives:</p> <ul style="list-style-type: none"> • To achieve a net population growth of 100,000 people by 2026 in order to achieve self-sufficiency. • To increase the number of immigrants coming to the province with the goal of attracting at least 5,000 people per year by the year 2015. • To establish increased targets for the number of immigrants attracted under the Provincial Nominee Program through the skilled worker stream. By 2015, the ratio will be 60 percent skilled workers and 40 percent entrepreneurs. • To create a co-funding arrangement with the federal government to increase settlement funding support and partner with community-based organizations to improve local settlement services and increase the retention rate from 60 percent to 80 percent by 2015. • To increase resources in second language training to meet the needs of new immigrants, while maintaining the province's linguistic balance. • To work with the federal government to offer a three-year work visa to international students who graduate from a New Brunswick post-secondary institution and choose to stay in the province. 	
<p>Source: <i>Be our future: New Brunswick's Population Growth Strategy</i>, Feb. 2008, page 11.</p>	

Delivery of the Provincial Nominee Program

3.37 The purpose of this section is to provide our findings and conclusion for our second objective.

3.38 The objective was:

to determine whether the Secretariat has adequate processes and controls for delivering the Provincial Nominee Program in New Brunswick and to determine if they support the program in achieving its objective “to increase the economic benefits of immigration to New Brunswick”¹⁷.

3.39 We comment on the following findings involving accessing the program, processing applications, monitoring within the program, documented policies and pilot projects.

- The PNP is easily accessible with useful information available on the web.
- There is a consistent approach to processing applications in a timely manner.
- There is a consistent approach to managing documents.

17. *Canada-New Brunswick Agreement on Provincial Nominees.*

- Program monitoring is lacking.
- The Secretariat does not have documented policies for the program.
- Pilot projects are not adequately documented and evaluated.
- The settlement and multiculturalism branch is in a different division.

Conclusion

3.40 The Secretariat does not have adequate processes and controls for delivering the Provincial Nominee Program in New Brunswick and supporting the program in achieving its objective. And, the Secretariat is not complying with paragraph 7.2 of the *Canada-New Brunswick Agreement on Provincial Nominees* because it is not monitoring nominees for three years.

The PNP is easily accessible with useful information available on the web

3.41 Useful information on how to immigrate to New Brunswick is available on the web. Information on the *New Brunswick Provincial Nominee Program* includes: a description of the application categories and the requirements of each; a useful and easy-to-understand *Application Guide* containing forms and instructions for completing an application; all forms needed in applying; and, frequently asked questions with responses. All the PNP information on the web is current.

3.42 Other useful information provided includes: relevant checklists of things to do “*Before you arrive*” and “*After you arrive*”; information on becoming a Canadian; and, a link to Citizenship and Immigration Canada.

3.43 From our review of the PNP information available on other provinces’ websites, we observed that Manitoba provided valuable information on immigration representatives; New Brunswick’s information was limited in comparison. Since most applicants use immigration representatives and the arrangements between applicants and their representative are independent from the PNP, providing more information on immigration representatives would likely be useful. As an attempt to protect the applicant’s interest, information should include both what to expect and what to be aware of when using an immigration representative. We noted that the CIC website had information on immigration representatives under headings including the following: “*Representatives – Choose carefully*”, “*Who can represent you*”, “*Don’t be the victim of a*

scam”, “Cracking down on crooked consultants”, and “How to file a complaint – How to get help if you have problems with an immigration representative”.

3.44 PNP information on the web is available in both English and French. The Province may attract more immigrants if PNP information was provided in the languages of the countries of the program’s target markets. From our review of the information available on the internet, we observed an immigration representative’s website which provided information in Chinese. Providing PNP information in other languages may make the PNP available to a larger population, would likely improve some applicants’ understanding of the program, would likely be useful to potential immigrants, and may demonstrate that New Brunswick is a welcoming province wanting to “*celebrate our differences*”¹⁸.

Recommendations

3.45 The Secretariat should make information concerning immigration representatives widely available, including what an applicant should expect in their arrangements with an immigration representative.

3.46 The Secretariat should consider providing their website information on the Provincial Nominee Program in the languages of the countries of the program’s target markets.

There is a consistent approach to processing applications in a timely manner

3.47 We considered the following observations to be positive features in the processing of PNP applications.

- Processing responsibilities are clearly assigned to staff members.
- Staff members use standard forms indicating the steps to be followed when processing applications. The forms incorporate the assessment criteria and eligibility requirements. Staff members document their work and sign forms indicating that specific processing steps have been completed. Several forms use a checklist approach for efficiency.
- Application files are processed in a step by step manner, ensuring that all required documentation is present and processing forms completed before advancing to the next step.

18. www.gnb.ca/3100/multiculturalism-e.asp.

- An application is reviewed by at least two staff members before a final decision on nomination is made. Most business category applications are reviewed by three staff members before a final decision is made.
- The Director reviews all files where it is recommended by staff members that the applicant be denied nomination.
- Procedures for processing applications have evolved since the program began in 1999. We saw evidence that the program made changes to procedures to improve processing and the quality of information maintained.
- Training staff members is a priority to the immigration branch.
- Application files are date-stamped upon arrival, and processing time is measured and monitored. Applications are managed to ensure their processing within a reasonable period.

There is a consistent approach to managing documents

3.48 Application files contain a large amount of documentation. Each document is placed in a specific order; documents are grouped and bundled in a specific manner to ensure that any document is easily located.

3.49 The immigration branch has an organized filing system for documents, with the electronic information system tracking the processing steps and the staff members involved. The status and location of every file is readily available.

Program monitoring is lacking

3.50 Monitoring nominees is as important as processing applications. The Secretariat needs to measure the number of nominees that settle permanently in New Brunswick in order to know if the PNP is effective. The Secretariat needs to be informed of both the nominees who have been successful at making a positive contribution to the Province's economy and those who have been unsuccessful in order to improve the program and make it more effective. The Secretariat needs to be informed of the success of each application category (skilled workers and business applicants) to validate the continued existence of the category. Processing applications in the business applicant category is significantly more onerous than the skilled worker category, meaning the business applicant category has higher program costs. While the responsibilities for processing applications have been clearly

assigned and effective procedures have been developed, the same has not been done for monitoring nominees.

Monitoring procedures for approved nominees are limited to recording their landing date

3.51 The program records approved applicants (nominees) as “landed” when the nominee appears on the monthly CIC *Landing Report*. After an applicant is approved by the PNP (nominated) and approved by CIC (issued a permanent resident visa), the nominee immigrates to Canada. Most nominees arrive at Canada’s large airports. When nominees arrive in Canada (land), they are required to present their documentation to CIC. The CIC provides the Province with a monthly *Landing Report* listing the nominees who have arrived in Canada. The PNP uses this monthly report to update the nominee’s status in their electronic file and then forwards the paper file to storage. This is the end of the PNP’s monitoring process for all nominees – landing in Canada.

There is no consistent approach to determine if nominees immigrate to New Brunswick

3.52 Other observations where monitoring procedures are lacking include the following.

- The program does not know the number of nominees who have fulfilled their requirement to settle in New Brunswick. The program does not follow-up on nominees after they enter Canada to determine whether the nominees actually come to New Brunswick to live. While the nominee has a requirement to report to the PNP in New Brunswick within 30 days of landing in Canada, this is not always done; and when it is done, there is no consistent approach to documenting it. The program does not monitor the number of landed nominees who fulfill their requirement and report to the PNP in NB within 30 days of landing in Canada.
- The program does not have procedures to locate and follow-up on landed nominees that have not reported to the PNP within 30 days of landing in Canada, as required by their agreement.
- The program does not have procedures to monitor the retention of nominees, those who stay in New Brunswick as permanent residents. While the PNP monitors the number of nominations (approved applicants) and the number of landed nominees (applicants that arrive in Canada), the program does not monitor the number of nominees that settle in New Brunswick or stay in New Brunswick. For example, as of 31 December 2009, the PNP had nominated 2621 individuals of whom 1876 were approved by CIC and came to Canada as permanent residents; however, the

PNP does not know how many of the 1876 landed nominees became permanent (or even temporary) New Brunswick residents. (Figures from Box 2).

Important monitoring information is not generated regularly

3.53 We believe the following features should be monitored within the PNP; however, the program did not have a consistent approach to accumulating specific information needed for appropriate monitoring. The PNP does not have information regarding the following:

- the number or percentage of skilled-worker nominees who maintain full-time employment in New Brunswick;
- the number or percentage of business applicant nominees that follow through with their business plans and make the required financial investment in a New Brunswick business;
- the number or percentage of business applicant nominees who are successful with their business venture in New Brunswick;
- the number or percentage of nominees that met their requirement to participate in language training, if this was a condition of their nomination, or the number or percentage that successfully completed language training;
- the number or percentage of nominees who become New Brunswick residents;
- the number or percentage of nominees who remain in New Brunswick after three years of landing in Canada; and
- the number or percentage of nominees who remain in New Brunswick who are francophone and anglophone (ensuring the linguistic balance is maintained).

The Secretariat is not monitoring nominees for three years as required by the agreement

3.54 The PNP does not have a consistent approach to monitor nominees. As a result, the PNP does not do “*tracking of provincial nominees to New Brunswick for a minimum of three years from their date of entry*”, as required by the *Canada-New Brunswick Agreement on Provincial Nominees* (agreement). This is non-compliance with paragraph 7.2 of the agreement shown in Box 6.

6	Excerpt from the Canada-New Brunswick Agreement.
Program Evaluation and Information Exchange	
7.2 Subject to applicable legislation and policies governing the disclosure of personal information, Canada and New Brunswick agree to share information on prospective and actual immigrants so as to maximize the effect of recruitment and retention efforts. This will include tracking of provincial nominees to New Brunswick for a minimum of three years from their date of entry, as a basis for assessing the effectiveness of targeted recruitment and integration and retention activities.	
Source: <i>Canada-New Brunswick Agreement on Provincial Nominees</i> , 2005, page 6.	

3.55 The PNP application includes an *Information Release Form*, which requires the signatures of the applicant and a Commissioner of Oaths. The form states the following, “*I authorize the departments and agencies of the Province of New Brunswick to provide my personal contact information to the Population Growth Secretariat for Program evaluation purposes over the three years after I receive my permanent resident status through the New Brunswick Provincial Nominee Program.*” While this provides authority for the Secretariat to obtain information from other departments useful in monitoring the nominee, the PNP has not made arrangements to do so with any departments or agencies of the Province of New Brunswick.

No regular monitoring of nominees who do not land

3.56 The PNP is not regularly measuring and monitoring nominees who do not land. We believe the program should monitor all of their nominees by measuring both those who land and those who do not; and, the program should determine why nominees are not successful in immigrating to Canada.

3.57 Box 7 provides statistics for landed nominees for each year of the program. It shows the number of PNP nominations by year, since the program began in New Brunswick in 1999. It shows the number of those nominees that arrived in Canada by December 31, 2009. It also shows the percentage of total nominees that arrived in Canada by December 31, 2009. Our observations include the following.

- In the program’s first two years, the number of nominees was small and the Landing Reports indicate that all nominees landed (100%).
- Since 2003 when the number of nominees has been greater than 100/year, the percentage of nominees who landed has ranged from 88% to 95%. This means the New Brunswick PNP has a

significantly high percentage of its nominees that successfully come to Canada.

- Percentage figures for 2008 and 2009 are lower than previous years because many of these nominees are still in the process of either being approved by CIC or moving to Canada.

7 Number of NB PNP Nominees that have "landed" in Canada by Dec. 31, 2009.											
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Nominees	4	32	51	60	109	197	342	331	432	513	550
Landed Nominees	4	32	49	57	96	174	307	314	378	401	64
% of Nominees that have landed	100	100	96	95	88	88	90	95	88 Note 1	78 Note 1	12 Note 1
Notes:											
1. Figures recorded by the year of the PNP nomination. Typically it takes from one to three years from the date of nomination until the date of landing. Therefore, it is likely that the 2007, 2008 & 2009 figures for "Landed Nominees" will increase.											
2. Possible explanations for having less than 100% landed nominees include applicants changing their mind to immigrate and/or applicants being denied a permanent resident visa by CIC.											
3. While a nominee's landing in Canada is a significant milestone, it is not a measure of settling in New Brunswick. Landing information should be used carefully, with its meaning well communicated.											
Source: Chart prepared by the Office of the Auditor General with information provided by the Population Growth Secretariat in March 2010. Figures not audited.											

Recent changes to the business applicant category require strict monitoring

3.58 Monitoring the business applicant category of nominees requires some different procedures than monitoring the skilled worker nominees. The Secretariat announced changes to the PNP in February 2010; some of the changes involve the business applicant category. One of the changes was a new requirement for a conditionally refundable deposit of \$75,000. (Boxes 3 and 4, presented earlier in this report, show the requirements for business applicants.)

3.59 As the program is now defined, in addition to living in New Brunswick with their dependents, business applicants must establish a business in New Brunswick. They must also assume an active managerial role in that business. (The program's goal is to attract active business investment rather than passive investment.) As a sign of intent, the nominee must provide a conditionally refundable deposit of \$75,000 to the Province. All interest earned on the deposits is kept by the Province. If the nominee does not fulfill their stated intentions, they forfeit their \$75,000 deposit, which becomes part of

the Province's general revenue. The requirements for making the deposit and obtaining a refund are stated in a *Deposit Agreement*.

3.60 We identified the following primary risks with this category.

- Once landed, the nominee may choose not to live in New Brunswick. This could be because circumstances have changed, or because the nominee never really had the intention of living in New Brunswick, and considers the \$75,000 payment to be the cost of getting into the faster immigration stream. The impact of this risk is partially offset because the deposit becomes part of the Province's general revenue. However, the purposes of the PNP are population growth and economic growth, not generating forfeiture revenue for the Province. Therefore, to ensure the program meets its purpose, the Secretariat needs appropriate ways to verify that business applicant nominees settle in New Brunswick and attempt to establish their businesses.
- With the \$75,000 conditionally refundable deposit held by the Province, there is a risk that schemes will be devised to make it look like the business intentions were met when in fact they were not. The Secretariat needs to ensure that it is only refunding deposits to landed nominees who have actually fulfilled their intentions to live and actively manage a business in New Brunswick.

3.61 At the time of our work, the Secretariat was still developing the processes for receiving and recording the deposits, the procedures for monitoring business activity and refunding deposits, and the forms to be used.

3.62 When establishing appropriate monitoring procedures, the Secretariat should consider the experience from the pilot project to attract Chinese business applicants that started in 2004. This pilot project is being wound down and is not accepting any new applicants. This pilot project resulted in 379 approved nominees as of 31 December 2009, with an additional 384 files to be processed. The pilot project for Chinese business applicants had several weaknesses including the following.

- The Secretariat did not monitor and measure the success of the pilot project. The Secretariat's information system was not able to distinguish the Chinese business applicants through the pilot project from other business applicants. While the PNP is aware of

the increased volume of application files caused by the pilot, they do not know if their processing efforts are resulting in success.

- The Secretariat's information system did not track sufficient information about the pilot project applicants. For example, each applicant had a New Brunswick business partner; while the PNP did some research on the business partner, the program did not keep track of who the business partner was for each applicant; this would be useful information for monitoring the nominee and the business plan. Business partner information was kept by Enterprise Fredericton, who was involved with the pilot project by collecting and managing the \$60,000 deposits from each applicant.
- The Chinese business applicant nominee may have expectations of support in establishing the new business from the New Brunswick business partner, which may or may not be realized. While the PNP received a business plan and a partnership agreement as part of the application from the Chinese business applicant, the PNP did not communicate directly with either the applicant or the New Brunswick business partner to ensure a common understanding regarding the amount of support to be provided by the New Brunswick business partner in establishing the business or the value expected from the \$60,000 deposit made by the Chinese business applicant.
- The Secretariat was not able to tell us how many of the pilot project's nominees settled in New Brunswick and fulfilled their commitment to establish a business in New Brunswick. The Secretariat was not able to give us an example of a successfully established business under this program.
- The Secretariat did not monitor whether the New Brunswick business partner actively tried to establish the new business with the Chinese business applicant nominee. We were told that as of May 2010, Enterprise Fredericton disbursed approximately \$18 million to New Brunswick business partners; however, the Secretariat is not aware of how much of that money represented active rather than passive investment. We have also been told that there is approximately \$28 million in potential additional money to be disbursed as the program winds down.

- Enterprise Fredericton paid the deposit to the New Brunswick business partner within thirty days of the Chinese applicant receiving permanent residency status from CIC. The Secretariat was not verifying that the applicant actually settled in New Brunswick before payouts were made.
- There was no documented policy outlining which New Brunswick businesses would be eligible to partner with a Chinese business applicant. The Secretariat should have a policy outlining circumstances that would make a New Brunswick partner ineligible, and outlining a process for monitoring eligibility.

3.63 While the pilot project for Chinese business applicants resulted in a significant amount of money being distributed to New Brunswick businesses, the Secretariat did not adequately monitor how successful the project was in increasing the population of the Province or in achieving active investment in New Brunswick business ventures. This experience should be used to develop appropriate monitoring procedures for the existing business applicant category of the PNP, which may include traveling and inspecting business operations. Appropriate monitoring will require additional resources, which could be financed by the forfeited deposits.

Recommendations

3.64 Procedures for monitoring approved applicants are inadequate. Monitoring immigrants and identifying characteristics of successful nominees (those who live permanently in New Brunswick making an economic contribution) will provide information useful to refining the PNP and making it more effective.

3.65 While the *Charter of Rights and Freedoms* allows landed nominees to reside anywhere in Canada, this does not exempt the program from the responsibility of following nominees through the process and monitoring those that settle and stay in New Brunswick.

3.66 Similar to the effective system for processing applications with clearly assigned responsibilities and proper documentation, the Secretariat needs to develop an effective system for monitoring the nominees once they arrive in Canada.

3.67 **The Secretariat should develop and implement appropriate monitoring procedures for the Provincial Nominee Program.** In so doing, the Secretariat should:

- actively monitor all nominees and their residency, and measure the number of nominees who become permanent NB residents making an economic contribution to the Province;
- ensure that information needed for appropriate program monitoring is consistently obtained and documented. (This should include reviewing the “Information Release Form” to ensure it provides adequate authority to obtain information on landed nominees from other departments and provincial agencies; and, establishing arrangements with other departments and provincial agencies to obtain information on landed nominees. The arrangements should be documented, clearly state responsibilities and provide a reporting framework or communication plan for proper accountability.)
- ensure the PNP operates in compliance with the Canada-New Brunswick Agreement; and,
- use the results of the Chinese business applicant pilot project to determine appropriate monitoring procedures for the business applicant category.

3.68 The Secretariat should ensure that the revised business applicant category is supported with documented policies and procedures, forms and records relating to the \$75,000 conditionally refundable deposit, and appropriate controls over the receipt and disbursement of the deposits. Procedures regarding refunding deposits, to nominees who have satisfied their business requirements, should be clearly documented.

3.69 Roles and responsibilities for monitoring the landed nominees’ business activities should be clearly assigned to staff members. Staff members involved with the new conditionally refundable deposits (receiving, recording, monitoring, refunding, etc.) should be properly trained.

3.70 The Secretariat should ensure the \$75,000 conditionally refundable deposits, which are required from business nominees, are properly recorded in a separate account and reconciled on a regular basis to the status of the program’s business nominees.

3.71 The Secretariat should obtain additional resources needed to adequately monitor the business activities of landed nominees.

The Secretariat does not have documented policies for the program

The importance of policies and procedures

The Secretariat does not have documented policies for the program

The Secretariat does not have its own documented policies on code of conduct and conflict of interest for the program

3.72 Policies and procedures document the rules of a program and describe the proper steps in performing tasks. Not only do policies and procedures inform staff members how to fulfill their day-to-day responsibilities successfully, but they also provide a basis for monitoring activities to ensure consistency in operations.

3.73 The Secretariat informed us that they do not have documented policies for the program. While our Office is not in the position to list all the required policies for the program, we note in the following section a need for clear guidance in the area of conflict of interest.

3.74 Staff members of the immigration branch process applications for permanent residency in Canada. They hold a position of authority, and they are actively involved in decisions affecting an applicant's future. Applicants are from various countries around the world; some where gift-giving is part of their culture. Immigration representatives have a vested interest in securing nominations for the applicants who hired them. Clearly documented policies on code of conduct and conflict of interest, stating what constitutes ethical behavior concerning gifts, jobs and relationships, are needed for the PNP. With the recent changes to the business applicant requirements and the program now being directly involved with the receipt and refunding of deposits from the nominees, there is a greater importance to having clear policies on code of conduct and conflict of interest.

3.75 Management informed us that the Secretariat follows provincial policies, including the Province's policy on "*Conflict Of Interest*". Our observations and discussions with some staff members indicated that there is a need to improve staff members' understanding of the policy and how it applies to the PNP and their work with the program.

Procedures for the program

3.76 Our observations regarding procedures for the PNP include the following.

- Procedures for processing applications are appropriate, as reported earlier.
- Procedures for program monitoring and monitoring nominees are inadequate, as reported earlier.
- Procedures for documenting and evaluating pilot projects are inadequate, as reported later.

- Procedures for program evaluation are inadequate, as reported later.
- Procedures for publicly reporting on program performance are inadequate, as reported later.

Recommendations

3.77 The Secretariat should ensure all staff members are fully aware of the policy on conflict of interest and have a clear understanding of how it applies to their work and the Provincial Nominee Program.

3.78 The Secretariat should ensure the Provincial Nominee Program is adequately supported with documented policies and procedures. (While the Secretariat has appropriate procedures for processing applications in a timely manner, there are other functions within the PNP where procedures are not adequate.)

Pilot projects are not adequately documented and evaluated

3.79 In addition to the regular categories of applications (skilled worker applicants and business applicants – Box 3), the PNP has pilot projects in progress. The PNP uses pilot projects to explore an opportunity to amend the program to attract more immigrants. A pilot project involves changing or eliminating one or more of the PNP's criteria or eligibility requirements for a target group. As a result, individuals who do not meet all of the PNP's criteria or eligibility requirements are nominated.

3.80 We reviewed documentation on four pilot projects. The documentation was inconsistent and incomplete. In particular, documentation regarding a timeframe and an evaluation plan for the pilot project was not present. (An evaluation plan would determine how to measure the pilot's success and whether the pilot idea should be formalized and implemented into the program.)

3.81 The *Population Growth Strategy* refers to one of the PNP's pilots. Action step #8 states the following. "*Evaluate the Entrepreneurial Program for International Students - The pilot project enabling international students to start a business after graduation will be evaluated after it has been in place for one year to determine the feasibility of expanding it and making it available on a province-wide basis.*"¹⁹ The pilot began in 2006; as of July 2010, the pilot project had not been evaluated.

19. Province of New Brunswick, *Be our future: New Brunswick's Population Growth Strategy*, February 2008, Page 13.

3.82 We reported specific observations on one pilot project for Chinese business applicants earlier.

3.83 The Secretariat may involve other parties in the delivery of a pilot project. Documented agreements or memorandums of understandings with these outside parties were not present.

Recommendations

3.84 **The Secretariat should ensure that a pilot project is properly planned and documented before it is implemented.**

3.85 **The Secretariat should obtain written agreements with parties involved in delivering pilot projects, which clearly state their responsibilities and provides a reporting framework or communication plan for proper accountability.**

3.86 **The Secretariat should ensure each pilot project is evaluated.**

The settlement and multiculturalism branch is in a different division

3.87 The Population Growth Secretariat has a settlement and multiculturalism branch “*to help newcomers integrate into New Brunswick society*”. The settlement and multiculturalism branch is part of the population support division, which is separate from the immigration division that delivers the PNP.

3.88 The population support division has three branches: the retention branch to “*retain New Brunswick’s valuable human resources*”, the repatriation and attraction branch to “*bring New Brunswickers back home*”, and the settlement and multiculturalism branch.

3.89 We believe the settlement and multiculturalism branch and the immigration division both serve the same clientele, immigrants. We question why the Secretariat’s organizational structure has the two groups in different divisions.

Recommendation

3.90 **The Secretariat should examine its organizational structure and consider re-positioning the settlement and multiculturalism branch so that it operates under the same direction as the PNP, within the immigration division.**

Measuring and reporting performance of the PNP

3.91 The purpose of this section is to provide our findings and conclusion for our third objective.

3.92 Reporting on the effectiveness of the PNP is a component of being accountable. Section 13(2) of the *Auditor General Act* mandates our office to report cases in which we have observed that satisfactory procedures have not been established to measure and report on the effectiveness of programs. This serves as the basis for our final objective.

3.93 The objective was:

to determine whether the Secretariat measures performance for the Provincial Nominee Program and to determine if it publicly reports the program's performance.

3.94 We comment on the following findings.

- An evaluation of the effectiveness of the Immigration Strategy 1998-2003 was not done.
- A financial analysis using actual figures for the PNP was not done.
- The program conducted an evaluation of landed nominees in 2004.
- The Secretariat does not formally evaluate the PNP as required by the agreement with Canada.
- Performance indicators are needed for the PNP.
- PNP's performance is not compared regularly to immigration objectives and targets.
- Targets appear ambitious when compared to actual performance.
- There is no public reporting on the program's performance.

Conclusion

3.95 The Secretariat does not have appropriate procedures to measure and report on the effectiveness of the Provincial Nominee Program. The Secretariat does not measure performance for the Provincial Nominee Program and hence it is unable to publicly report the program's performance. The Secretariat does not know if the

Provincial Nominee Program in New Brunswick is achieving its objective “to increase the economic benefits of immigration to New Brunswick”²⁰. And, the Secretariat is not complying with paragraph 7.1 of the *Canada-New Brunswick Agreement on Provincial Nominees* because it does not formally evaluate the Provincial Nominee Program.

An evaluation of the effectiveness of the Immigration Strategy 1998-2003 was not done

3.96 *Immigration Strategy and Policy - New Brunswick* (1997) was the Province’s first immigration strategy. It was for a five-year period (1998-2003) and proposed the attraction of two hundred immigrants per year plus their families. The strategy contained an analysis of costs and revenues showing the return on provincial investment in immigration, a table with recruitment targets and a list of activities to retain immigrants. One of the listed activities stated, “*Research, including evaluation of the results and effectiveness of this strategy*”.

3.97 The Secretariat told us that while the PNP is constantly being self-evaluated and enhanced, a stand-alone evaluation of the strategy had not been done.

A financial analysis using actual figures for the PNP was not done

3.98 Prior to the creation of the Population Growth Secretariat, a business case was prepared providing a preliminary financial analysis. The financial analysis was rather detailed; it included projected costs, revenues and the economic impact of the Secretariat for each year for the period 2007-2010. Revenues were projected individually for immigration, repatriation and retention. The immigration revenues were projected for three categories (skilled worker, business and family) using immigration figures for each category for each of the four years.

3.99 The analysis could easily be tailored to specifically fit the PNP, and it could be used for an annual analysis comparing actual performance figures to the earlier projections. The Secretariat told us that a financial analysis comparing actual costs and revenues to projected figures for the PNP had not been done.

The program conducted an evaluation of landed nominees in 2004

3.100 The Secretariat told us the program conducted an in-house evaluation of 123 landed nominees in 2004 and found that over seventy percent of the nominees were living in New Brunswick and meeting the program’s requirements. A similar exercise has not been repeated since 2004.

20. *Canada-New Brunswick Agreement on Provincial Nominees*.

The Secretariat does not formally evaluate the PNP as required by the agreement with Canada

3.101 Earlier in this chapter, we reported that the PNP did not have a consistent approach to determine if nominees immigrate to New Brunswick, was not monitoring nominees, and did not have a consistent approach to accumulating information needed for appropriate program monitoring. As a result, the Secretariat does not know how many of the program’s nominees settled in New Brunswick; and therefore, it is not possible for the Province to conclude on whether the PNP is achieving its objective “to increase the economic benefits of immigration to New Brunswick”²¹.

3.102 Canada and New Brunswick have not yet negotiated an evaluation activity plan as required by the *Canada-New Brunswick Agreement on Provincial Nominees* (agreement). This is non-compliance with paragraph 7.1 of the agreement, which is shown in Box 8. The Secretariat told us that the CIC and the Provinces have had ongoing discussions on this over the years.

8	Excerpt on Program Evaluation from the Canada-New Brunswick Agreement
Program Evaluation and Information Exchange	
7.1 Canada and New Brunswick recognize the importance of evaluating the Provincial Nominee Program in order to determine its impacts and outcomes in New Brunswick. Accordingly, immediately following the date of the signing of this Agreement, Canada and New Brunswick will negotiate an evaluation activity plan that will ensure that sufficient data and analysis are completed and available at appropriate intervals so that it might form the basis of discussions regarding the modification of this Agreement.	
Source: <i>Canada-New Brunswick Agreement on Provincial Nominees</i> , 2005, page 6.	

3.103 The Auditor General of Canada reported on *Selecting Foreign Workers Under the Immigration Program* in the fall of 2009. Their audit covered the planning and management of seven programs, of which one was the PNP. In the report, the Auditor General of Canada says that most provinces and territories have PNP agreements in place, the agreements call for the negotiation of an evaluation plan, and, “Currently, no evaluation plans have been negotiated with the provinces and territories.”²² Box 9 shows the Auditor General of Canada’s recommendation and the Department’s response.

21. *Canada-New Brunswick Agreement on Provincial Nominees*.

22. *Report of the Auditor General of Canada to the House of Commons - Chapter 2 Selecting Foreign Workers Under the Immigration Program*, 2009, page 26.

Recommendations

3.104 The Secretariat should ensure the Provincial Nominee Program operates in compliance with the *Canada-New Brunswick Agreement*.

3.105 The Secretariat should develop and implement an evaluation plan which allows it to measure performance of the Provincial Nominee Program and determine if the program meets its objective “to increase the economic benefits of immigration to New Brunswick”²³. Corrective action should be taken to address deficiencies identified by the evaluation.

9	Auditor General of Canada’s recommendation on the Provincial Nominee Program.
<p>2.85 Recommendation. Citizenship and Immigration Canada should work with provinces and territories to ensure that, for the Provincial Nominee Program,</p> <ul style="list-style-type: none"> • mechanisms are in place to collect and share appropriate information against agreed upon evaluation criteria; • evaluation plans are prepared and implemented to assess whether provincial nominee programs are meeting the objectives set out in the Immigration and Refugee Protection Act and Regulations; and • quality assurance mechanisms are in place to ensure that nomination decisions are consistent and compliant with the Immigration and Refugee Protection Act and Regulations and their respective Provincial Nominee Program criteria. <p>The Department’s response. Agreed. The Department has developed an evaluation framework and logic model for an evaluation of the Provincial Nominee Program, which is in the Department’s Evaluation Plan for 2010/11. Common performance measures and indicators will be drawn from the longitudinal immigration database, which will provide information related to outcomes and retention for all provinces and territories. The Department remains open and committed to working with provinces and territories on any additional information sources and mechanisms they wish to have considered.</p> <p>The evaluation will assess performance of provincial nominee programs against the objectives of the Immigration and Refugee Protection Act and Regulations.</p> <p>Citizenship and Immigration Canada agrees with the need for quality assurance mechanisms and is open to working with provinces and territories to develop them. Should there be questions related to quality assurance, CIC can substitute its own evaluation of provincial and territorial nominations.</p>	
<p>Source: <i>Report of the Auditor General of Canada to the House of Commons - Chapter 2 Selecting Foreign Workers Under the Immigration Program, 2009, pages 26-27.</i></p>	

Performance indicators are needed for the PNP

3.106 The Secretariat’s documented strategy is discussed earlier in this chapter. While the Secretariat has some performance indicators for immigration stated as objectives and targets in their *Population Growth Strategy*, additional performance indicators are needed that are specific to the PNP.

3.107 The Secretariat does not have a consistent approach to regularly measure performance of the PNP.

23. *Canada-New Brunswick Agreement on Provincial Nominees.*

Recommendation

PNP's performance is not compared regularly to immigration objectives and targets

3.108 The Secretariat should establish program goals, performance indicators and monitoring procedures for evaluating performance of the Provincial Nominee Program.

3.109 Box 5 presented earlier in this report shows the objectives of the Secretariat as stated in the Population Growth Strategy. One of the objectives states, “*To create a co-funding arrangement with the federal government to increase settlement funding support and partner with community-based organizations to improve local settlement services and increase the retention rate from 60 percent to 80 percent by 2015.*”

3.110 The Secretariat does not have an approach to measure the retention rate of the PNP's nominees. As we reported earlier, the Secretariat does not know how many of the PNP's nominees settle in New Brunswick. (The program's monitoring stops once the nominee arrives in Canada.) Therefore, the Secretariat is unable to compare performance to the annual targets stated in the strategy.

Recommendation

Targets appear ambitious when compared to actual performance
Comparing performance to targets for 2006 – 2009

3.111 The Secretariat should develop and implement an approach to regularly measure performance of the Provincial Nominee Program and compare performance to the objectives and targets stated in the “Population Growth Strategy”.

3.112 The immigration targets stated in the 2008 Population Growth Strategy are 1,500 immigrants in 2006, 1,900 immigrants in 2007, 2,300 immigrants in 2008 and 2,700 immigrants in 2009²⁴. The Secretariat told us that the published immigration targets “include all classes of immigrants and are based on the assumption that approximately 70% of the immigrants will be through the PNP.” Therefore, the expected number of PNP immigrants would be 1,050 in 2006, 1,330 in 2007, 1,610 in 2008, and 1,890 in 2009.

3.113 The number of New Brunswick's PNP immigrants that have “landed” in Canada are 1,056 in 2006, 978 in 2007, and 1,133 in 2008. (The “landed immigrants” figure represents the PNP nominees that have “landed” in Canada, which may be significantly higher than the number of nominees that settle in New Brunswick.)

3.114 Comparing the “landed immigrants” figure (arrivals in Canada) to the expected number of PNP immigrants to New

24. Province of New Brunswick, *Be our future: New Brunswick's Population Growth Strategy*, February 2008, Page 11.

Brunswick, we calculated the percentage to be 101% in 2006, 74% in 2007, and 70% in 2008. Even with the possibly inflated figures caused by immigrants not settling in New Brunswick, the number of immigrants was well below the program's expectations for both 2007 and 2008. At the time of our work, the Secretariat did not have confirmed PNP immigrant figures for 2009. We compared the unconfirmed "landed immigrants" figure (1,236) to the expected number of PNP immigrants to New Brunswick (1,890), and calculated the percentage to be 65% in 2009.

3.115 In June 2010, the Secretariat announced the following. *"There has been a net increase of 6,393 people since January 2007. This surpasses the goal of increasing the province's population by 6,000 by the end of 2009 as set out by the state of the province address. ... The largest number of interprovincial migrants since 1990 caused the population of New Brunswick to grow for the 13th consecutive quarter, according to a Statistics Canada report released this morning."*²⁵ While the Province may have met its goal of increasing the province's population by 6,000, it is not meeting its PNP immigration expectations.

Comparing performance to one objective

3.116 Box 5 presented earlier in this report shows the objectives of the Population Growth Secretariat as stated in the *Population Growth Strategy*. One of the objectives states, *"To establish increased targets for the number of immigrants attracted under the Provincial Nominee Program through the skilled worker stream. By 2015, the ratio will be 60 percent skilled workers and 40 percent entrepreneurs."* The Secretariat told us that the likelihood of a nominee coming to New Brunswick and living in the province is greater with skilled worker applicants than with business applicants.

3.117 Box 10 shows the number of PNP nominations by year since the program began in NB. It shows the distribution of the nominations according to the category of the application – skilled worker or business. It also shows the percentage of total nominations based on application category for each year. The skilled worker percentage figures indicate that in the program's early years, the majority of nominees were skilled worker applicants. (From 1999 to 2002, the skilled worker percentage ranged between 50% and 77%.) Starting in 2003, the number of nominees exceeded one hundred and the skilled worker percentage has dropped significantly to less than

25. Province of New Brunswick, *News Release- Population Growth Secretariat: Province surpasses 6,000 new New Brunswickers*, June 28, 2010.

50%. In the past three years (2007 – 2009), the skilled worker percentage has been 36%, 37% and 38%.

Recommendations

3.118 The Secretariat should review the objectives and targets relating to immigration stated in the Strategy and establish a specific action plan for achieving their objectives and targets.

3.119 The Secretariat should develop annual operational plans to be used in day-to-day work, which would result in the achievement of the annual targets shown in the *Population Growth Strategy*.

10 Number of NB PNP Nominees by Category					
Year	Total Nominees	Skilled Worker		Business Applicant	
		Number	Percentage	Number	Percentage
1999	4	2	50%	2	50%
2000	32	20	63%	12	37%
2001	51	28	55%	23	45%
2002	60	46	77%	14	23%
2003	109	53	49%	56	51%
2004	197	63	32%	134	68%
2005	342	101	30%	241	70%
2006	331	152	46%	179	54%
2007	432	156	36%	276	64%
2008	513	191	37%	322	63%
2009	550	211	38%	339	62%
Total	2,621	1,023	39%	1,598	61%

Source: Chart prepared by the Office of the Auditor General with information provided by the Population Growth Secretariat. Figures not audited.

There is no public reporting on the program's performance

3.120 The Secretariat does not publicly report on the performance of the PNP.

3.121 In 2009, the Department did not publicly report on performance of the PNP via their Annual Report. The information reported to the public by the Department on the PNP included a description of the program and statistics. It did not include performance information to reflect the success of the program.

3.122 Typical performance information that could be provided includes the following: the program objective and whether it is being accomplished; specific goals and targets and the progress made towards meeting them; and, the impact the program is making.

Recommendation

3.123 To provide better accountability to the Legislative Assembly and the public, the Secretariat should report on the performance of the Provincial Nominee Program both on its website and in the Department’s Annual Report.

Conclusion

3.124 This chapter identifies positive features of the Provincial Nominee Program, and it identifies issues that require the Secretariat’s attention because improvement is needed to ensure the program meets its objective.

3.125 Overall, we found that the Secretariat does not know if the Provincial Nominee Program in New Brunswick is achieving its objective “to increase the economic benefits of immigration to New Brunswick”²⁶. Although the PNP has been operating since 1999 and is responsible for bringing 5,509 landed immigrants to Canada, the program does not know how many of these immigrants settled in New Brunswick. Without measuring the number of nominees that settle and stay in New Brunswick, the PNP is unable to determine whether it is achieving its objective and having an economic benefit on the Province of New Brunswick.

3.126 In regards to our objectives, we concluded that the Secretariat has identified and documented significant planning measures for New Brunswick’s Provincial Nominee Program; the Secretariat does not have adequate processes and controls for delivering the program; and, the Secretariat does not measure performance for the PNP and hence it is unable to publicly report the program’s performance. We also reported the Province’s non-compliance with two sections of the *Canada-New Brunswick Agreement on Provincial Nominees*.

3.127 Several fundamental elements of an effective program are present for the PNP, such as, a clear purpose, a strategy and documented procedures for processing applications. The key element that is missing from New Brunswick’s PNP is monitoring. Without monitoring the nominee: the PNP is unable to measure its success and report on its performance; the PNP is subject to increased risk of program abuse, as immigrants use the program as a gateway to Canada because of its shorter processing time; and, the PNP is not complying with the *Canada-New Brunswick Agreement on Provincial Nominees*. The Secretariat is processing a lot of PNP applications. However, the benefits of this processing are unknown

26. *Canada-New Brunswick Agreement on Provincial Nominees*

because the program does not measure the number of nominees that settle and contribute economically in New Brunswick.

3.128 We recognize the challenges facing the PNP. For example, enforcing a nominee to fulfill their commitment to reside permanently in New Brunswick goes against the *Charter of Rights and Freedoms*, which allows them to move and reside anywhere in Canada. However, this challenge of enforcing permanent residency should not be confused with monitoring permanent residency. Another example is the challenges of measuring success for the PNP. Terms such as “economic benefit” and “permanent residency” require definitions, including an assigned timeframe because a landed nominee may not become a New Brunswick resident; and being a permanent New Brunswick resident is not synonymous to being a resident who makes an “*immediate economic contribution to the province*”²⁷. The time lapse between when an applicant is nominated and when the nominee becomes a New Brunswick resident is long, can vary significantly from one nominee to another and is beyond the control of the program. Assumptions and estimates will need to be made and documented.

3.129 We made recommendations to address the weaknesses that we identified. Most provinces have a PNP and a strategy to increase immigration and retention. One could say that it is a competitive business. Therefore it is important that New Brunswick’s PNP be effective in its recruitment efforts, its processing of applications, its nomination decision-making, and its monitoring of retention. The federal government expects the PNP to grow²⁸; *Be our future: New Brunswick’s Population Growth Strategy* has immigration targets that will require the New Brunswick PNP to grow over the next few years. Prompt implementation of our recommendations will result in an improved program, with an enhanced ability to measure and monitor the success of the program as it enters an expected growth phase.

27. CIC website: www.cic.gc.ca/english/immigrate/provincial/index.asp

28. CIC, *News Release - Government of Canada Tables 2010 Immigration Plan*, Ottawa, October 30, 2009.

Appendix - Recommendations

3.130 The purpose of this section is to present our recommendations in the areas where we think change is appropriate. Our recommendations to the Secretariat are presented along with the Secretariat's response to each recommendation. Recommendations relate to two of our three objectives, which address the following topics:

- delivery of New Brunswick's Provincial Nominee Program (box 11); and
- measuring and reporting performance of the PNP (box 12).

11	Recommendations relating to the delivery of New Brunswick's Provincial Nominee Program
<p>Recommendation</p> <p>Useful information available on the web</p> <ul style="list-style-type: none"> • <i>The Secretariat should make information concerning immigration representatives widely available, including what an applicant should expect in their arrangements with an immigration representative.</i> • <i>The Secretariat should consider providing their website information on the Provincial Nominee Program in the languages of the countries of the program's target markets.</i> <p>Program monitoring</p> <ul style="list-style-type: none"> • <i>The Secretariat should develop and implement appropriate monitoring procedures for the Provincial Nominee Program.</i> • <i>The Secretariat should ensure that the revised business applicant category is supported with documented policies and procedures, forms and records relating to the \$75,000 conditionally refundable deposit, and appropriate controls over the receipt and disbursement of the deposits.</i> • <i>Roles and responsibilities for monitoring the landed nominees' business activities should be clearly assigned to staff members. Staff members involved with the new conditionally refundable deposits (receiving, recording, monitoring, refunding, etc.) should be properly trained.</i> 	<p>Secretariat's Response</p> <p><i>The Population Growth Secretariat (Secretariat) provides a wide range of relevant information on the provincial website.</i></p> <p><i>All applicants are provided additional information regarding immigration representatives during the interview. Key information is provided to applicants in their language of choice.</i></p> <p><i>The Secretariat agrees with this recommendation. Monitoring procedures are being developed and will be implemented in a timely fashion.</i></p> <p><i>The Secretariat agrees with this recommendation. Documented policies and procedures are being developed and will be implemented when the first nomination based on this program will be finalized.</i></p> <p><i>The Secretariat agrees with this recommendation.</i></p>

11 <i>cont'd</i>	Recommendations relating to the delivery of New Brunswick's Provincial Nominee Program	
	Recommendation	Secretariat's Response
	Program monitoring (continued)	
	<ul style="list-style-type: none"> • <i>The Secretariat should ensure the \$75,000 conditionally refundable deposits, which are required from business nominees, are properly recorded in a separate account and reconciled on a regular basis to the status of the program's business nominees.</i> 	<p><i>The Secretariat agrees with this recommendation.</i></p>
	<ul style="list-style-type: none"> • <i>The Secretariat should obtain additional resources needed to adequately monitor the business activities of landed nominees.</i> 	<p><i>The Secretariat agrees with this recommendation.</i></p>
	Documented policies for the program	
	<ul style="list-style-type: none"> • <i>The Secretariat should ensure all staff members are fully aware of the policy on conflict of interest and have a clear understanding of how it applies to their work and the Provincial Nominee Program.</i> 	<p><i>The Secretariat follows the Provincial Conflict of Interest Policy.</i></p>
	<ul style="list-style-type: none"> • <i>The Secretariat should ensure the Provincial Nominee Program is adequately supported with documented policies and procedures.</i> 	<p><i>The Secretariat agrees with this recommendation.</i></p>
	Pilot projects	
	<ul style="list-style-type: none"> • <i>The Secretariat should ensure that a pilot project is properly planned and documented before it is implemented.</i> 	<p><i>The Secretariat agrees with these recommendations.</i></p>
	<ul style="list-style-type: none"> • <i>The Secretariat should obtain written agreements with parties involved in delivering pilot projects, which clearly state their responsibilities and provides a reporting framework or communication plan for proper accountability.</i> 	
	<ul style="list-style-type: none"> • <i>The Secretariat should ensure each pilot project is evaluated.</i> 	
	Settlement and multiculturalism branch	
	<ul style="list-style-type: none"> • <i>The Secretariat should examine its organizational structure and consider re-positioning the settlement and multiculturalism branch so that it operates under the same direction as the PNP, within the immigration division.</i> 	<p><i>The Secretariat will re-examine the current organizational structure as deemed appropriate.</i></p>

12	Recommendations relating to measuring and reporting performance of New Brunswick's Provincial Nominee Program
<p>Recommendation</p> <p>Measuring performance</p> <ul style="list-style-type: none"> • <i>The Secretariat should ensure the Provincial Nominee Program operates in compliance with the Canada-New Brunswick Agreement.</i> • <i>The Secretariat should develop and implement an evaluation plan which allows it to measure performance of the Provincial Nominee Program and determine if the program meets its objective "to increase the economic benefits of immigration to New Brunswick"¹. Corrective action should be taken to address deficiencies identified by the evaluation.</i> • <i>The Secretariat should establish program goals, performance indicators and monitoring procedures for evaluating performance of the Provincial Nominee Program.</i> • <i>The Secretariat should develop and implement an approach to regularly measure performance of the Provincial Nominee Program and compare performance to the objectives and targets stated in the "Population Growth Strategy".</i> • <i>The Secretariat should review the objectives and targets relating to immigration stated in the Strategy and establish a specific action plan for achieving their objectives and targets.</i> • <i>The Secretariat should develop annual operational plans to be used in day-to-day work, which would result in the achievement of the annual targets shown in the Population Growth Strategy.</i> <p>Reporting performance</p> <ul style="list-style-type: none"> • <i>To provide better accountability to the Legislative Assembly and the public, the Secretariat should report on the performance of the Provincial Nominee Program both on its website and in the Department's Annual Report.</i> 	<p style="text-align: center;">Secretariat's Response</p> <p><i>The Secretariat agrees with this recommendation.</i></p> <p><i>The Secretariat agrees with this recommendation.</i></p> <p><i>The Secretariat has established program goals and indicators. The on-going relevancy of such will be reviewed in a timely fashion.</i></p> <p><i>The Secretariat agrees with this recommendation.</i></p> <p><i>The Secretariat agrees to review the objectives and targets; action plans will be developed as required.</i></p> <p><i>The Secretariat agrees with this recommendation.</i></p> <p><i>The Secretariat adheres to the Provincial Annual Report Policy.</i></p>

¹ Canada-New Brunswick Agreement on Provincial Nominees.