

December 4, 2009

Premier Gordon Campbell
740-999 Canada Place
Vancouver, BC
V6C 3E1

Dear Premier Campbell,

Re: Provincial Nominee Program

The Provincial Nominee Program (PNP) has been a productive talent generating asset for British Columbia. When the PTC was preparing its 10th report in 2007, research clearly indicated that the program provided a valuable service.

Because access to highly qualified personnel will remain critical to growing BC's knowledge based economy, the PTC revisited the PNP program to explore opportunities to improve or expand it. In this process the PTC consulted with industry representatives, service organisations, and academia. The PTC also consulted with the staff of the PNP program itself.

Users remain impressed with the program. They admire its efficiency and the straightforward, non-bureaucratic approach. Furthermore, the BC program is structured for maximum benefit. Unlike other PNP programs across the country BC provides a letter of recommendation to the candidate. This allows them to apply for a temporary work permit so they can move to BC and begin work immediately. Without this letter the candidates would have to wait several months for the Permanent Residency (PR) application to be completed.

In the course of its investigations the PTC identified some areas where the PNP could be expanded or the process improved even further. To that end the PTC would like to make the following recommendations.

1. Federal Government Visa Officers

One challenge to the program arises because the PNP is just a nomination for entry to the federal process. When a PNP candidate from outside the country receives their letter of recommendation from the Provincial Government, they take it to a visa officer from the Canadian Border Services Agency. This letter is not binding, so prior to granting the work permit, the visa officers make an independent assessment. They must determine if this individual would return to their country of origin should PR be denied or would they try to remain in Canada illegally.

PNP candidates should be considered an extremely low risk to become illegal residents. Less than 0.5% of BC's candidates have ever had their PR denied and, of those, every one has returned to their country of origin. The highly qualified individuals that this program attracts are simply not interested in living an underground life in order to remain in the country. Nevertheless, some visa officers have been extremely rigorous in applying this criteria and a number of PNP candidates have had their temporary permit denied, forcing them – and their prospective employer – to wait several months for the PR to be granted.

The PTC realises that the provincial government has no jurisdiction over federal government employees. However, it could approach the federal government with a request to direct its visa officers to follow a more risk management approach when assessing candidates from the Provincial Nominee Program.

Recommendation: That the provincial government work with the federal government to improve the work permit application process for the BC Provincial Nominee Program.

2. Graduate Students

In its 10th report the PTC recommended that the PNP program be expanded to include graduate students who complete certain programs in BC – without requiring them to get a job offer. The eligible students would have to meet certain criteria. For example, they would have to be in certain 'high demand' fields. It would also be advisable for the PNP office to pilot such a program to ensure feasibility.

The PTC made this recommendation in spite of the fact that most foreign graduate students are unlikely to need such automatic qualification. Upon completing their studies in BC most already have a student work permit and will usually get a job offer to qualify for the PNP prior to that work permit expiring. However, the PTC continues to support a program change that automatically granted PNP eligibility to a grad student upon completion of their degree. It would be a tremendous asset for universities as they try to attract high quality students from around the globe. Our recent consultation indicated that universities remain were exceptionally supportive of the idea.

Recommendation: That the PNP program be expanded to grant eligibility to certain graduate students who complete programs in British Columbia

3. Electronic Processes

Currently the PNP is a paper driven process. This slows the process for candidates and for employers. It is more expensive than an electronic system and it makes it challenging

for the provincial government to meet its reporting obligations to the federal government. It limits the capacity of the PNP office and hinders its ability to innovate in program delivery. It prevents, for example, the government from initiating an online candidate nomination process for pre-approved employers.

Equally important is that the current system limits the ability of the PNP to expand without incurring increases in administrative costs. Should the PNP expand as projected to 6,000 cases by 2013, the cost of administrative support staff to manage the additional applicants would double from its current \$160,000 per year to \$320,000 per year. This cost does not include interviews or other front line service, simply the back office administration.

To manage these issues, the PNP office recently prepared a business plan for new IT infrastructure. The business plan estimates there would be an initial investment of \$400,000 and that the system would operate thereafter at \$80,000 per year. The proposal would digitize the process to make it more efficient for users and for the department itself.

This would not only improve service but administrative cost savings would be impressive. After full implementation the department would reap savings of \$200,000 per year. This would be a reduction in the administrative processing cost of one case from \$53 to \$20. As the projections in the table below illustrate, the internal rate of return on this investment would be 18% after five years of operation and 27% after seven years of operation.

	Without Project			With Project					
	# Cases	# FTE's	Tot. cost	FTE's	FTE cost	Op cost	Tot. cost	Savings	Cumulative
	(Admn)								
2009/10	3,000	4	\$160,000	4	\$160,000	\$400,000	\$560,000	(\$400,000)	(\$400,000)
2010/11	3,500	5	\$200,000	3	\$120,000	\$80,000	\$200,000	\$0	(\$400,000)
2011/12	5,000	7	\$280,000	2	\$80,000	\$80,000	\$160,000	\$120,000	(\$280,000)
2012/13	6,000	8	\$320,000	1	\$40,000	\$80,000	\$120,000	\$200,000	(\$80,000)
2013/14	6,000	8	\$320,000	1	\$40,000	\$80,000	\$120,000	\$200,000	\$120,000
2014/15	6,000	8	\$320,000	1	\$40,000	\$80,000	\$120,000	\$200,000	\$320,000
2015/16	6,000	8	\$320,000	1	\$40,000	\$80,000	\$120,000	\$200,000	\$520,000
2016/17	6,000	8	\$320,000	1	\$40,000	\$80,000	\$120,000	\$200,000	\$720,000
								Internal Rate of Return (IRR)	27%

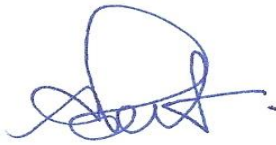
The PTC understands that the global economic environment has created budget challenges. Nevertheless, it believes that for a relatively small investment with fairly speedy returns, government could further improve the PNP program. Government budgets will improve over time and as they do the PTC believes this investment should be a priority. To further mitigate any risk, government could sign a commercial contract

for the development of this system which included performance based payments as a criteria.

Recommendation: That the provincial government consider investing in an IT infrastructure to support the Provincial Nominee Program as funding allows.

Thank you for the opportunity to provide input on this issue and should you have any questions please contact Eric Jordan, President of the Premier's Technology Council at eric.jordan@gov.bc.ca.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Greg Peet', with a stylized flourish at the end.

Greg Peet
Co-Chair, Premier's Technology Council