

Background

Workforce development is a critical challenge confronting rural economies throughout Canada. As part of the *Addressing Labour Shortages through Newcomer Attraction* initiative, a series of innovative approaches were identified. This report is a case study of one of the innovations identified. The case study identifies the innovative approaches, goals of the initiative, successes, and transferability to other rural communities. This report is part of a series of rural innovative workforce initiatives as part of the *Addressing Labour Shortages through Newcomer Attraction* initiative.

Further case studies and additional information on the research initiatives can be found at https://ruraldev.ca/lsna/.

Introduction

The <u>Rural and Northern Immigration Pilot</u> (RNIP) was established by the Government of Canada as an economic development tool for rural and northern communities across the country. The RNIP ended on August 31, 2024, and was replaced by the <u>Rural Community Immigration Pilot</u> (RCIP) which launched in January 2025 (Government of Canada, 2025a, 2025b). Regions like the West Kootenays, British Columbia are facing significant labour shortages due to one or more of the following factors: youth outmigration, a declining birth rate, and an aging population, as well as other recruitment and retention challenges like housing and access to services. The initiative uses immigration to help address regional labour shortages; it created a pathway to permanent residency for skilled foreign workers and their families who intend to settle in the region. The pilot was managed and delivered Community Futures Central Kootenay.

The West Kootenay region is located in southern British Columbia along the United States of America border. The region is home to over 90,000 people and an abundance of lakes and rivers, offering a view of mountains (West Kootenay RCIP, n.d.e). The key economic activities in the region are resource extraction, forestry, agriculture, tourism, and entrepreneurialism. RNIP was comprised of 11 participating communities: Ainsworth, Balfour, Castlegar, Crescent Valley, Fruitvale, Nelson, Rossland, Salmo, Slocan City, South Slocan, and Trail.

Approaches to Addressing Labour Shortages

The Canadian Government launched the RNIP to address labour shortages in communities across Canada. The program offers the potential for permanent residency for skilled foreign workers in exchange for them settling in the region long-term with their families. The West Kootenay region had a steering committee comprised of people from economic development, education, and non-profit groups (West Kootenay RCIP, n.d.f). The committee determined the priorities and goals for the pilot, including the priority

sectors and occupations to support economic growth in the region (West Kootenay RCIP, n.d.c). The five current priority sectors identified in the West Kootenay region under the initiative are:

- 1. Health
- 2. Education, Law and Social, Community and Government Services
- 3. Sales & Service
- 4. Trades, Transport, and Equipment Operator
- 5. Manufacturing and Utilities

There are several priority occupations in each sector, including but not limited to social workers, bookkeepers, carpenters, cooks, bakers, and early childhood educators. The priority sectors and occupations were subject to change in response to available data, feedback, and market demand.

Once the priority sectors and occupations were determined, there are three important steps in the pilot (West Kootenay RCIP., n.d.d):

- **1. Employer Designation:** Employers interested in hiring skilled foreign workers need to apply for their designation and prove they are committed to fair practices.
- 2. Candidate Eligibility: An applicant must have received a job offer from a designated employer and meet federal requirements such as language requirements, work experience, and educational background. They must also show they intend to live in the community permanently.
- **3. Community Recommendation:** Once the candidate has proven that they meet the requirements outlined by the government, the employer must submit an application for community recommendation. If the application is approved, the candidate receives a recommendation report and apply for permanent residency.

Goals and Objectives

The primary goal of the RNIP was to bring skilled foreign workers into the West Kootenay region to address labour shortages. According to West Kootenay RCIP (2023, p. 4), the objectives of the pilot are to:

- 1. Create a welcoming environment that attracts, integrates, and retains newcomers.
- 2. Increase community diversity.
- 3. Contribute towards regional economic sustainability.
- 4. Increase productivity and revenues for regional businesses and organizations.
- 5. Create a secure way for employers to retain skilled employees.
- 6. Create peripheral employment benefits through the settlement of spouses and
- 7. dependents who also participate in the labour force.
- 8. Have newcomers contribute to the economy and increasing the productive capacity of the region.
- 9. Have skilled newcomers start successful career paths in long-term stable employment.

10. Create opportunities for business development and business succession through the provision of information, resources, and supports to permanent residents.

Success in Achieving Goals

The RNIP was a great success in West Kootenay. From June 2020 to December 2022, 144 employers throughout the 11 communities in the region used the pilot to fill positions in their businesses (West Kootenay RCIP, 2023). The community recommended 302 applicants for permanent residency. 45 of these applicants were employed as healthcare aides, 29 as early childhood educators and assistants, and 81 as food and beverage sector workers (e.g. chefs and managers). In addition to the 302 primary applicants, 250 spouses and dependents of the applicants were also recommended by the community. Many of the immigrants who arrived through this pilot have shared their stories through the West Kootenay RNIP highlighting how the RNIP was beneficial not only for the region but for the skilled workers and their families migrating to the region.

Challenges and Future Prospects

Key Challenges

While the RNIP was a success in the West Kootenay region, one of the challenges of is the start and stop nature of the initiative. There may be periods where applications are closed because either the employer designation or recommendations applications have reached their limit, and it is not always clear when they will resume.

Additionally, there is a limited number of sectors that workers can be hired in. The immigration initiative is limited to a maximum of five priority sectors which are determined by immediate market needs, strategic goals, equity, and community and industry input (West Kootenay RCIP, n.d.a). Unfortunately, while there are more than five high-need sectors and occupations, the region is limited to the five sectors so not every sector in need can be included. While this is a challenge, the priority sectors are reviewed and updated on a yearly basis.

Future Prospects and Advocacy

Following the success of the RNIP in the West Kootenay region the RCIP was launched to continue this program for the long-term and greater address labour shortages in the region. This news creates the opportunity for other high-need sectors to be included in the program in the future and address labour shortage more broadly in the region.

As discussed, the region was limited to five priority sectors, however, the steering committee reviewed the priorities on an annual basis and updates them as needed (West Kootenay RCIP, n.d.a). This means that once labour shortages have been

adequately addressed in other sectors, the sectors and occupations can shift to focus on other high-need industries that are struggling to hire workers.

Uniqueness and Transferability

Distinctive Elements

West Kootenay's RNIP approach featured several distinctive elements such as a community-driven model. The pilot involved the community in the recommendation of candidates for permanent-residency and sought stakeholder engagement and feedback when making decisions on priority sectors and occupations. It also fostered a welcoming community for newcomers and in 2022 they hosted a welcome party for everyone who received permanent residence with over 150 people in attendance.

Furthermore, the initiative has a strong partnership with Selkirk College located within the West Kootenay region. Selkirk College has a number of programs that attract international students who study and work in the community. The pilot encourages them to remain in the region, provided they fit within the five priority areas, retaining some of their workforce leading to greater economic development.

Additionally, Community Futures Central Kootenay offers an entrepreneurial pathway. Community Futures encourages newcomers to start or purchase businesses and can help provide resources for them.

Factors Supporting Transferability

The RNIP model's transferability is supported by its ability to be tailored to a community's needs. A community can select five priority sectors and determine the priority occupations within the sector. Since each community has unique economic conditions, they can select the sectors and occupations that are of highest priority for them to address labour shortages. They can also have additional eligibility requirements and job search, and recommendation processes based on industry needs and stakeholder feedback.

Potential for Broader Application

The RNIP has seen success in the West Kootenay region, with the launch of the RCIP in 2024, there is an opportunity for broader application. Other eligible communities in Canada can become part of the program to help address their labour shortages and grow their economies.

Conclusion

The RNIP initiative in the West Kootenay region has been successful in addressing labour shortages. By leveraging immigration as a strategic tool for economic development, the region has successfully attracted and retained skilled foreign workers. The program's community-driven model, strong partnerships, and adaptability to labour market needs have been key to its success. West Kootenay's experience provides valuable insights and a replicable framework for other rural communities across Canada seeking to address their labour shortages and develop their economies through newcomer attraction.

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