

STABILIZING PROVINCIAL ATTESTATION LETTER (PAL) ALLOCATIONS TO PROTECT REGIONAL ECONOMIES AND WORKFORCE CAPACITY IN B.C.

Issue

Provincial Attestation Letters (PALs) are required in British Columbia for an international student to study in the province and confirm that the student has been allocated a place within the annual provincial PAL distribution. Recent federal caps significantly reduced B.C.'s PAL allocation, destabilizing institutions and employers who rely on international students as contributors to the labour force and local economy. Without reforms, the current model risks undermining responsible institutional planning, weakening workforce pipelines, and destabilizing regional economies.

Background

The Government of Canada through Immigration, Refugees and Citizenship Canada (IRCC) has reduced British Columbia's PAL allocation to 32,596 for 2026, representing a 57% decrease from 2025. While federal in origin, these reductions have immediate and material regional consequences affecting institutional budgets, employer hiring capacity, and local economic stability.

International students support labour-force participation in high-demand sectors, sustain applied and technical training programs, and contribute significantly to local consumer spending. For example, in Abbotsford and the Fraser Valley, international education is directly linked to workforce development in aviation, logistics, advanced manufacturing, agri-food, and other export-oriented industries.

Abrupt and non-strategic PAL reductions risk labour shortages, program contraction, and financial instability for institutions that have demonstrated regulatory compliance and responsible growth. It also impacts the in-demand sectors of the economy requiring specialized, and in demand skills such as aviation and manufacturing.

Additionally, today's rules lack flexibility by requiring applicants to receive a new PAL when changing schools, which draws from the overall PAL allocation.

At present, the allocation model does not sufficiently distinguish long-established, publicly accountable institutions from newer or lightly regulated entities. Institutions that exercised restraint in prior allocation requests are effectively penalized, discouraging prudent long-term planning and creating avoidable volatility.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Adopt a Workforce-Aligned, Multi-Year Allocation Model that:
 - a. Prioritizes public post-secondary and long-established private institutions with a history of compliance with provincial regulations and educational standards.
 - b. Aligns allocations to documented labour shortages and applied training demand.
2. Enables Stabilization, Reallocation, and PAL Sharing by:
 - a. Establishing a provincial reserve to stabilize PALs.
 - b. Implementing a mid-cycle reallocation process for unused PALs.
 - c. Permitting controlled PAL sharing between approved institutions, subject to provincial oversight.