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A New Deal for Immigrant Settlement
in Canada**

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I do not care what language a man speaks, or what religion he professes, if he is honest and law-abiding, if he will go on that land and make a living for himself and his family, he is a desirable settler for the Dominion of Canada.... If we can find people... willing to obey the laws and pay taxes for the support of our institutions, we must open our doors to these people and give them such encouragement as will overcome the initial difficulties of their change of situation. Clifford Sifton, Minister of the Interior, Statement to the House of Commons, July 1899.

Indeed, not much has changed from Sifton's statement over a century ago: Canada still needs immigrants. But we no longer need farmers to till vast expanses of land. Today we need IT specialists, production managers, researchers, carpenters, and tool and dye workers, to name a few, and we need them in our cities.¹ Today it is the urban centers that are the engine and the lifeline of the national economy. Demographics have shifted radically, with almost 80 percent of Canadians living in urban centres in 2001 [Statistics Canada, 2002], as opposed to just over 20 percent living in rural areas in 1871 [Social Science Federation of Canada and Statistics Canada, 1983].

Concerns about labour force shortages dominate government policy circles, as well as municipalities and the private sector, as they plan their economic growth potential and competitive advantages. In response to skills and labour shortages, and looming demographic imperatives, governments and industry are increasingly recognizing immigration as an essential component of any human resource strategy.

What is Being Proposed?

In June 2002, the Minister of Citizenship and Immigration proposed a 'dispersion' strategy for the settlement of skilled immigrants across Canada. The proposal is grounded partly in concerns about the capacity of Montreal, Toronto and Vancouver – the primary destinations of immigrants in Canada – to absorb more immigrants. But more importantly, this strategy is intended to share the demographic and economic benefits that these cities have enjoyed with second tier cities across Canada (e.g., Winnipeg, Calgary, Victoria, Ottawa, Quebec City and Halifax) and smaller cities and communities in more remote areas.

Although details of the strategy have not been elaborated to date, one of the options indicated has been a conditional welcome to Canada. To avoid violating mobility rights as contained in the Charter, the proposal would offer a temporary work visa that ties an immigrant to a particular location for up to five years before being granted permanent resident status. In addition, an individual who does not remain for this period of time in the designated locale would become subject to deportation.

There are three immediate concerns with this strategy. First, the nature of the proposal is coercive rather than incentive based. Second, immigration is positioned as a ‘silver bullet’ for regional economic development, rather than as a component of a broader strategy. And third, the effect of the strategy would be to further exclude and marginalize rather than include and integrate new immigrants.

A coercive strategy?

The ‘dispersion’ strategy has been compared to Sifton’s program of settling Western Canada at the turn of the century, when immigrants were granted land to develop the agricultural resources of the prairies. A key difference between the two, however, is Sifton’s use of incentives rather than punitive measures.

Sifton’s program was a success, based on the huge influx of immigrants to Canada, with over three million arriving between 1896 and 1914, and more than one million settling in the West. This made perfect sense. The economy of the day was driven by natural resources that promised economic prosperity.

So just as the Sifton immigration program created incentives to draw immigrants to where there was economic opportunity, today’s policy initiatives also need to consider where economic opportunity lies – cities – and create the relevant incentives to draw them there.

A tool for regional development?

The ‘dispersion’ strategy positions immigration as a tool for regional development. The underlying assumption is that increasing the population will bolster economic development. However, recognizing that industrial clusters are the building blocks of regional economic development, key factors for growth include industrial structure, development of related industries, consumer base and a variety of other characteristics, including skilled labour. So human resources are an enabling factor rather than a driving force. In fact, the Department of Citizenship and Immigration’s own study on the issue concluded that “an inflow of immigrants to a region cannot be expected by itself to generate a sufficient number of jobs for new arrivals; it will induce an outflow of people, unless economic growth occurs for other reasons” [CIC, 2001: 55].

Another aspect of regional development that this strategy is intended to address is shortages of skilled workers, such as doctors and nurses in smaller outlying communities. However, requiring highly skilled professionals to locate in rural areas as part of an immigration contract does not

resolve the more entrenched problem of distribution and urbanization. People generally, and youth in particular, are moving to larger urban centres in search of economic opportunities, and it would be self-defeating to create policies that run counter to this movement. Furthermore, there is no guarantee that professionals will stay in rural communities after the required period of time, as high attrition rates among rural service programs have demonstrated.²

So while population growth can enhance economic growth, it is critical that a broader and more integrated strategy of strengthening regional economies be undertaken. More specifically, the focus should be on urban economies. The ‘dispersion’ strategy, as it has been articulated, intends to increase the flow of settlement not only to smaller cities but also to more remote areas.

However, the conditions for economic growth and immigrant settlement in smaller, more remote communities are fundamentally different from larger census metropolitan areas (CMAs), and arguably not as conducive to receiving and integrating immigrants. Smaller communities often do not have the institutional and community infrastructure to offer the necessary supports for effective economic integration. It is not so much a question of population size as it is of capacity. The conditions needed to provide this support include active engagement and collaboration of all levels of government with educational institutions, employers, non-governmental organizations, immigrant associations and occupational regulatory bodies – all relevant stakeholders in the process of integrating immigrants into local labour markets.

It follows that any policy initiatives to encourage the regionalization of immigrant settlement should focus on those metropolitan areas – the engines of the national economy – that also have the capacity to provide the necessary infrastructure and supports for settlement and integration.

Inclusive policy development?

The ‘dispersion’ strategy is being framed as part of an inclusive immigration policy. However, it is not clear how inclusion *per se* is being defined, nor to what end. In fact, this policy will actually delay integration and political inclusion. If the policy is implemented as an expanded temporary worker program, so as to circumvent the Charter of Rights and Freedoms, then the extent of inclusion for immigrants under this program will be very narrowly defined. Temporary workers are not eligible for the programs and services provided to other classes of immigrants. They do not have access to educational opportunities, language and skills upgrading, student loans or domestic student fee schedules.

The development of policy in this direction would only serve to restrict the rights of skilled immigrants who are Canada’s future citizens and those who are being relied upon for the next

century of nation building. Indeed, it would effectively create yet another type of second-class immigrant.³ Furthermore, such a category of immigration is not likely to attract the highly skilled immigrants – those for whom the policy is intended – because of the limitations it would place on them and the options they have on the global market. Instead, such a program is more likely to attract applications from those who may not qualify under the more rigorous points system now in place. This is not necessarily a negative implication in itself, but it is not the intended outcome of the strategy.

Creating a class of immigrants that has limited rights within society is, in effect, social exclusion. And social exclusion, as a policy implication, can become a serious threat to social cohesion and economic prosperity more broadly. If inclusion is an intended goal of immigration policy, then the proposed dispersion strategy is very much misguided.

To achieve the goal of sharing the benefits of immigration more broadly across Canada, we must work within the global forces that are defining the country, particularly urbanization. It makes more sense to approach this goal through incentives that contribute to a broader based strategy for strengthening the economic engines of Canada – cities – by promoting genuine inclusion in all areas of society: economic, social and political.

The Role of the City in Immigrant Settlement

The majority of immigrants to Canada settle in one of the three largest metropolitan areas of Canada: Montreal, Toronto or Vancouver. The proposed ‘dispersion’ strategy and other regionalization proposals are trying to find ways to attract immigrant populations to second tier cities and other smaller communities across Canada, and to keep them there. Data from the 2001 census indicate that urbanization is an important trend in Canada, with populations in rural and small towns and areas of resource based economies declining.⁴ If people are moving to urban centres, and if urban centres are firmly positioned as the economic engines of the nation, then it follows that immigration and settlement policy should complement these trends, not try to counter them. In this case, that means supporting cities in their capacity to receive and integrate immigrants and their skills.

Harvard business professor Rosabeth Moss Kanter has framed the challenge of city growth and competitive advantage as cities needing both “magnets and glue.” *Magnets* are understood as the elements that attract not only investment but also people, and in this case immigrants, to cities, and *glue* as the social foundation that fosters health and well-being, and contributes to the bonds of community [Torjman, 2002].

Attracting populations: magnets

For skilled immigrants, as well as Canadians, the most important magnet is economic opportunity. It makes sense for immigrants to settle first where there is the greatest number of employment opportunities – large urban centres. They are not as likely to go to smaller places without a job contract because the opportunities there are more limited. Another important magnet for highly skilled immigrants is opportunities for professional development and advancement, which again are more readily available and known in larger urban centres. At the moment, the only policy initiative that addresses this issue directly is the provincial nominee programs that allow provinces, in partnership with employers, to recruit professionals with an employment contract.⁵

There are other pull factors that influence the settlement location of individuals and families. An important consideration in choosing where to settle is knowledge of a city. Montreal, Toronto and Vancouver are known internationally. Smaller cities across Canada do not have the same profile. If cities are to become magnets that stimulate population growth, there is a critical need for effective outreach. They need to market not only their economic opportunities, but also their social and cultural attractions. To this end, the federal government could coordinate the development of an Internet portal that would provide a single point of access to current and accurate profiles of communities across Canada to facilitate this marketing and outreach.

Another important influence in the selection of settlement location for many immigrants is the presence of a shared ethno-cultural community. Having a critical mass of people from the same ethno-cultural background can not only instill an attraction to a city, but also can facilitate the delivery of settlement services. *Establishing* a critical mass can be difficult, but does happen over time. The most direct means of effecting this development is the family reunification program whereby permanent residents sponsor members of their family to immigrate. As well, both sponsored refugee programs and provincial nominee programs can be used to help create a critical mass.

But even these programs do not ensure long-term settlement. A sustained critical mass cannot be created in the short term and certainly not through artificial means. It is a process that takes time to seed and mature. The best way to accelerate this process is by ensuring that immigrants are able to integrate quickly and effectively into the economic and social life of a community, and to ensure this integration by increasing the capacity of the community to provide appropriate settlement responses.

Retaining populations: glue

The second part of the equation for a thriving city is the glue that provides a cohesive bond for the community. If cities want to retain the immigrants who settle there as well as existing populations, they need to pay attention to the quality of life they provide to their residents, and give them reasons to stay.

A study on the mobility of refugees after obtaining permanent resident status showed large movements from smaller to larger cities. In response to the question of why they moved, 54 percent cited insufficient or inadequate employment and education opportunities. Also mentioned, though not as frequently, were the following factors: desire to be closer to family and friends, the negative reception received from residents, the cost or quality of housing, and inadequacy of settlement services [Abu-Laban et al., 1999].

While smaller cities may not have control over some of the pull factors of big cities, they can invest in and develop the elements that make up the glue in their communities, which eventually becomes a magnet in itself. In addition to employment, which has already been identified as the most important element, immigrants, like Canadians, seek affordable housing, educational opportunities for themselves and their children, and a vibrant community with cultural activities and recreation. Immigrants in particular seek communities that will be welcoming to them, that will have a positive attitude toward cultural diversity and some familiarity in terms of their own cultural specificity (i.e., a critical mass, as discussed above). Ultimately, for anyone to plan their future in a community they must feel included, and this means being included economically, socially and politically. Communities need to be cognizant of the importance of encouraging and supporting the civic participation of newcomers so that they too have a vested interest in remaining there.

The most critical investment for retaining immigrants, however, is providing a system that facilitates their economic integration – that is, access to employment. Research and experience have shown that labour market barriers for immigrants are systemic in nature and therefore require solutions that are systems-based.⁶ To address effectively the barriers inherent in the current system, there is a need for coordinated approaches in: a) the provision of information overseas, b) comprehensive assessment services for immigrants, and c) bridge training to fill identified gaps. In order to provide these coordinated approaches, it is essential to build the capacity of the various stakeholders at the local level, including educational institutions, regulators, employers, non-governmental organizations that deliver settlement services, and particularly the municipalities themselves.

Coordinating these various approaches requires leadership and cooperation at all levels. At the local level, cities need to be able to convene the relevant stakeholders, identify local priorities, provide policy advice to federal and provincial governments, and enhance the coordination and integration of programs and initiatives. Where cities are able to establish a multi-stakeholder approach, they are more likely to be able to create the kinds of magnets and glue that are needed to attract and retain immigrants. But cities need support from and partnership with provincial, territorial and federal governments to make this happen.

Solutions: Striking a New deal

At the meeting of federal-provincial/territorial ministers responsible for immigration in October 2002, there was agreement on the need for stronger federal-provincial/territorial partnerships on a multi-lateral and bilateral basis [CIC, 2002] However, neither the role of cities nor the need to ensure that cities have the resources and tools they need to optimize an increased flow of immigration, were mentioned.

In the final report of the Prime Minister's Caucus Task Force on Urban Issues, released in November 2002, there was no clear statement regarding the role of cities in immigration. But there was a more generic recommendation for strong urban partnerships and tripartite agreements between all levels of government, and with the private sector. The report stated that "provincial and municipal leaders need to be involved in decisions that affect them, particularly in those areas of policy that have an impact on budgets" [Sgro, 2002: 6].

As immigration policy focuses increasingly on urban needs and strategies, there is growing pressure on municipalities to have the capacity for planning, coordinating and providing services, and the accompanying resources, in order to realize fully the social and economic benefits of immigration. Although the Canadian constitutional framework does not technically allow for direct federal-municipal relationships, there remains a pressing need for new arrangements and relationships to enable municipalities to develop and deliver local strategies for the settlement and economic integration of immigrants. It is important to bear in mind that the federal government has been able to find a way to achieve this kind of 'indirect' funding, for example, with the funding of homelessness projects under the Supporting Community Partnerships Initiatives (SCPI).

But more than just money is needed. As noted earlier, cities need to be able to provide policy direction on issues that are local in nature. They also must be able to effectively convene business, educational institutions, immigrant groups and other stakeholders to identify the relevant programs and services needed to facilitate the labour market integration of immigrants. Cities need to find the glue that will hold their populations together, and provide the opportunities for individual and community growth that will continue to attract and retain populations in general, not just immigrants. In order to enable cities do all of this, there is a need for new relationships with all levels of government.

Crafting tripartite settlement agreements for municipalities with federal and provincial governments is the first step toward fostering greater vertical collaboration and coordination. These agreements need to be structured so that the municipality is positioned as the designer and driver of settlement planning, while the federal and provincial governments assume the role of respondents and facilitators.

But there is also a need for greater horizontal coordination. At the federal and provincial levels, this means working collaboratively across departments that are stakeholders in the issue, including particularly Citizenship and Immigration, Human Resources Development, Heritage and provincial ministries responsible for immigrant settlement, training and education. At the local level, it is critical that there is a capacity to convene all the relevant stakeholders (government, employers, educational institutions, immigrant groups, settlement service providers, non-governmental organizations, occupational regulatory bodies and professional associations) to develop the multi-stakeholder mechanism that will envision and effect a new system for integrating immigrants into the labour market.

Conclusion

If, as the Speech from the Throne in 2002 asserted, immigration is “[O]ne of Canada’s greatest assets” and we “must continue to provide hope, hospitality and opportunity” to immigrants, then there must be more care taken in the development of immigration policy to meet this objective. Ultimately, for both Canada and the immigrant, immigration is about choice and opportunity. Immigration provides immense benefit to Canada, and there is value in sharing this benefit as broadly as possible.

However, it is critical at the same time that immigrants have the choices and opportunities that are available to all Canadians and, in the words of Clifford Sifton, that they are given “such encouragement as will overcome the initial difficulties of their change of situation.” Today this means settlement in a city or community that has the capacity to effectively integrate them economically, socially and politically.

While it is tempting to see immigration as the silver bullet for economic and demographic challenges, immigration cannot be used to counter the effects of urbanization; that is not sustainable. And immigration can only be an effective economic tool if it is part of a broader strategy of investing in cities and communities that are desirable for both Canadians and immigrants alike. For settlement policies to be viable, they must recognize that investing in cities is an investment in more effective settlement, and they must be more responsive to local needs, priorities and capacities.

Endnotes

¹ According to the City of Toronto's new official plan (adopted by City Council on November 28th, 2002), the GTA region is forecast to grow by 2.7 million residents and 1.8 million jobs by the year 2031. As such, the City of Toronto continues to need immigrants to sustain its economic growth and a healthy population.

² The medical profession in particular has not been successful in retaining physicians in rural communities after completing negotiated terms of service, and this is where the programs have been incentive based. See Thommasen (2000) and Hutten-Czapski (1998).

³ This recognizes that other categories of immigrants already experience limits in their access to rights and services, including Convention refugees, refugee claimants, and foreign trained tradespersons and professionals.

⁴ The only exception being Alberta where the oil industry attracted newcomers. See Statistics Canada, 2002.

⁵ Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia and Newfoundland have signed Provincial Nominees agreements, which allow them to select a small number of immigrants to meet specific labour-market needs.

⁶ See Andrew Brouwer (1999) "Immigrants Need Not Apply" for a description of the barriers that affect access to the labour market, and Naomi Alboim and The Maytree Foundation (2002) "Fulfilling the Promise: Integrating Immigrant Skills into the Canadian Economy" for a more detailed explanation of the systems-based approach.

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