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FEDERATION OF CANADIAN MUNICIPALITIES REPORT ON IMMIGRATION & DIVERSITY IN CANADIAN CITIES & COMMUNITIES

The Community Services and Housing Committee recommends the adoption of the recommendation contained in the following report dated April 14, 2009 from the Commissioner of Community and Health Services.

1. RECOMMENDATION

It is recommended that:

1. The Regional Clerk circulate this report to the area municipalities for their information.

2. PURPOSE

This report provides a brief overview of a report released by the Federation of Canadian Municipalities (FCM) on March 19, 2009 entitled, *Immigration & Diversity in Canadian Cities & Communities*. This report also outlines the implications for York Region.

3. BACKGROUND

The FCMS' Quality of Life Reporting System reports on social, economic and environmental trends in Canada's municipalities

The Quality of Life Reporting System (QOLRS) initiative is led by the FCM to measure, monitor and report on changes in social, economic and environmental factors to assess the quality of life in Canada's largest cities and communities. Twenty four Canadian municipalities, including York Region, participate in the QOLRS. The *Immigration and Diversity in Canadian Cities & Communities* report is the fifth QOLRS theme report, previous reports include:

- *Income, Shelter and Necessities, 2004*
- *Dynamic Societies and Social Change, 2005*
- *Growth, Economy and Urban Environment, 2005*
- *Trends and Issues in Affordable Housing and Homelessness, 2008*

Brenda Hogg, Deputy Mayor and local Councillor for the Town of Richmond Hill and Regional Councillor for York Region, is a member of the FCM National Board of Directors. Also, on behalf of York Region, the Community and Health Services Department staff participate on the QOLRS technical team. Community and Health Services is also responsible for collecting service data from the Regional Corporation and

from the broader public sector in York Region for inclusion in the QOLRS reports. The Canada wide QOLRS technical team determines project priorities, oversees the preparation of reports and develops new quality of life indicators.

4. ANALYSIS AND OPTIONS

Immigrants are increasingly settling in suburban and smaller communities than in larger urban centres

The *Immigration & Diversity in Canadian Cities & Communities* report compares social and economic conditions for immigrants and non-immigrants between 2001 and 2006 in the communities that make up the QOLRS. The report shows that many of Canada's urban areas, such as Toronto, Montreal and Vancouver, are experiencing an erosion in immigration. Both recent immigrants (immigrants living in Canada for five years or less – immigrated between 2001 and 2006) and established immigrants (immigrants living in Canada for more than five years – immigrated prior to 2001) appear to be shifting to other suburban areas and smaller communities. Also, the report shows that although immigration continues to drive growth in communities like York Region, recent immigrants have higher rates of unemployment and poverty than non-immigrants. A summary of the report findings prepared by the FCM is provided in *Attachment 1*.

FCM emphasizes that this report is meant to offer a perspective on trends and issues facing all members of the QOLRS rather than comparisons between municipalities. The intent of the report is to provide evidence and support for Canadian municipalities in formulating public policy that will assist and address the needs of newcomers settling in Canada.

In 2006, York Region received the sixth highest number immigrant landings among QOLRS municipalities. The Region generally attracts highly educated immigrants

York Region generally attracts immigrants with great potential. According to the report, York Region ranked sixth amongst the QOLRS municipalities that received at least 10,000 immigrants in 2006, a total of 11,252 immigrant landings. Landing statistics are based on the immigrant's destination identified in their immigration application. York Region had an 83% increase in the share of provincial immigrant landings between 2002 and 2006.

Relative to the other 23 QOLRS municipalities, York Region immigrants compared more favourably in the following areas:

- Higher proportion that had a university degree (ages 25-54).
- Lower unemployment rate for immigrants with university degree (ages 25-54).
- Higher labour force participation rate.
- Larger proportion of immigrants in management occupations.

- Lower proportion of immigrants receiving social assistance.
- Lower proportion of lone parent low income families.
- High proportion who do not smoke, and who reported having excellent or very good mental health.
- Lower proportion who reported being physically inactive.

There are however, areas of weakness which are consistent with the earlier findings of the Community and Health Services Department and York Region Social Data Consortium. Immigrants in York Region compared less favourably to those and most other QOLRS municipalities in the following areas:

- Higher proportion of immigrants without knowledge of an official language.
- Higher proportion of immigrants working in sales and service occupations.
- Lowest proportion of renter households.
- Higher proportion of renters who spent 50% or more on housing expenses.
- Higher proportion of home owner who spent 30% or more on housing expenses.

York Region generally attracts recent immigrants who have a high potential for success and who compare positively against other FCM municipalities. However, when York Region's non-immigrant residents are compared, the report shows some provocative outcomes.

The report shows that recent immigrants in York Region, in comparison with non-immigrants in York Region were:

- More likely to have a university degree (ages 25-54) than their Canadian-born counter-parts.
- Less likely to receive social assistance than their Canadian-born counter-parts.
- More likely to have children under the age of 12 than their Canadian-born counter-parts.

Recent Immigrants in York Region with university degrees (ages 25-54) were more likely to be unemployed than their Canadian-born counter-parts with university degrees. Also, more so than Canadian-born residents, York Region's residents who were born outside of Canada are:

- Less likely to be in management occupations.
- More likely to spend 50% or more of their income on housing costs, with respect to rental housing.
- Less likely to self report having excellent/very good mental health.
- Are more likely to be in sales and service occupations which are generally low paying.

The report shows York Region had a net loss of immigrants between 2001 and 2006. High potential immigrants may be leaving York Region to seek better opportunities elsewhere

When comparing the landing data to the Census data, the report shows that between 2001 and 2006, York Region had a net loss of 8% (3,841) of recent immigrants, whereas Toronto had a net loss of 22% (73,014) and other Greater Toronto Area (GTA) municipalities experienced a net gain. The FCM report assumes and suggests that many factors can influence the secondary migration of immigrants leaving the municipalities from where they land. Examples of these factors include age, education, availability of social supports, lack of economic, educational and employment opportunities and access to public services. However, it is important to note that based on Census data, York Region had seen an increase of 7% of recent immigrants, from 43,405 in 2001 to 46,460 in 2006. During this period, the total immigrant population in York Region grew by 96,735.

It should be noted that the FCM calculated migration based on a comparison of two different sets of data for two different time periods. The concern regarding the methodology used for this section of the report was communicated to FCM by staff before the release of the report. Further analysis is required to investigate these findings. Citizenship and Immigration Canada is a potential source where additional data can be obtained to further understand the migration trends.

York Region was shown having the lowest proportion of renter households

In addition, the report shows that York Region had the lowest proportion of renter households among all QOLRS municipalities. According to the recently released *Just the Facts About Your Community – Housing and Shelter Costs in York Region*, 12% of total dwellings in York Region were rented in 2006. This was the lowest proportion of rented dwellings in the GTA. In comparison, 29% of the total dwellings in Ontario and 31% in Canada were rented in 2006. Furthermore, immigrants who rent in York Region were more likely than non-immigrants to spend 30% or more of their household income on shelter costs in 2006.

Additional highlights of York Region specific findings are included in *Attachment 2*.

York Region is recognized as a municipality that is taking action to address challenges faced by immigrants

The FCM report acknowledges several initiatives that York Region is, has been, or will be, involved with to address immigrant settlement, integration and retention issues. These initiatives include:

- York Region Human Services Planning Coalition's Inclusivity Action Plan.

- York Region's *Community Snapshots: Recent Immigrants Living in York Region* report.
- The Welcome Centre in Vaughan.
- York Region Immigration Portal.
- The future development of a "made-in-York-Region" settlement strategy through Local Immigration Partnerships initiative.
- The Toronto Region Immigrant Employment Council.
- The Municipal Immigration Committee through the Canada Ontario Immigration Agreement (2005).

The report calls for a series of actions to improve opportunities for recent immigrants to Canada

The FCM report calls for a number of recommendations to be implemented across Canada:

- 1) Ensuring municipal government participation in federal/provincial/territorial dialogue on immigration and settlement policy, program and service delivery design.
- 2) Ensuring appropriate allocation of federal funding to municipal governments and immigrant settlement agencies for immigration-related services based on an equitable, predictable and sustained per capita funding formula.
- 3) Introducing monitoring systems to measure the effectiveness of immigration agreements and improve the accountability regarding funding allocations.
- 4) Investing in local strategies to assist communities in both attracting and retaining and settling and integrating newcomers.

Many of these recommendations have been initiated in Ontario under the Canada Ontario Immigration Agreement.

Ontario municipalities have an opportunity to discuss immigration policies and programs through the Municipal Immigration Committee

While municipal participation in settlement policy has not been traditional across Canada, through the Canada Ontario Immigration Agreement, Ontario municipalities, for the first time, were given an opportunity to provide input into the development of immigration and integration policies and programs that have an impact on municipalities. As a result, the Municipal Immigration Committee, which is chaired jointly by the Association of Municipalities of Ontario (AMO) and the federal and provincial governments, was formed. York Region was one of the selected municipalities invited to join this Committee and continues to be an active member.

Ontario municipalities will have an opportunity to develop local settlement strategies

Successful negotiations by Ontario municipalities at the Municipal Immigration Committee have resulted, among other things, in the creation of the Local Immigration Partnerships initiative. Essentially, federal and provincial governments have agreed to give Ontario communities much more control over how immigrants are settled and integrated, by providing communities with funding to establish a Community Partnership Council and a local settlement strategy. The Region will begin its work on developing a York Region Local Immigration Partnership once negotiations with the federal government are finalized.

The impact of the Canada Ontario Immigration Agreement is still to be determined

The goal of the Canada Ontario Immigration Agreement was to increase federal funding from about \$800 per immigrant to \$3,400 per immigrant. As noted in the *Community Snapshots: Recent Immigrants Living in York Region* report, the per immigrant funding in 2004 - 2005 was \$179 in York Region. While there has been new funding allocated to York Region for settlement services, to date, the federal government has not reported the total impact of the Canada Ontario Immigration Agreement on the per immigrant funding formula, nor the amount of additional funding allocated by the community as a result of the Agreement.

Data from the FCM report will inform York Region about the needs of immigrants

The data and findings of this FCM report will help guide further research into the needs of the Region's growing immigrant population and their settlement and integration needs. Information gathered will help inform the design and delivery of programs and services.

5. FINANCIAL IMPLICATIONS

There are no specific financial implications associated with this report. It should however be noted that while municipalities are not directly responsible for immigrant settlement, they often bear many of the front-line costs when federal and provincial programs prove to be inadequate. This fact points to a need for municipalities to have a seat and a true voice at the table when federal, provincial and territorial governments meet to design immigration policies and programs. Also, consideration should be given to compensating municipalities for the front-line de facto immigration services they provide.

6. LOCAL MUNICIPAL IMPACT

The FCM report does not contain data at the local municipal level. However, understanding the impact of immigration and other demographic changes is important in order for local municipalities to know the characteristics of current and future residents and their needs. However, information and resources do not exist on a local or regional level to access this detailed information, except in a very limited manner.

7. CONCLUSION

York Region immigrants continue to enrich our communities as well as drive growth and economy. The report, *Immigration & Diversity in Canadian Cities & Communities*, prepared by the FCM quantifies many of the opportunities, challenges and barriers experienced by immigrants in Canada.

The FCM report shows that many urban areas, including York Region, are losing the skilled immigrants their labour market needs, while bearing the costs of assisting immigrants with special challenges.

The FCM report calls for a series of actions:

- 1) Ensuring municipal government participation in federal/provincial/territorial dialogue on immigration and settlement policy, program and service delivery design.
- 2) Ensuring appropriate allocation of federal funding to municipal governments and immigrant settlement agencies for immigration-related services based on an equitable, predictable and sustained per capita funding formula.
- 3) Introducing monitoring systems to measure the effectiveness of immigration agreements and improve the accountability regarding funding allocations.
- 4) Investing in local strategies to assist communities in both attracting and retaining and settling and integrating newcomers.

A full version of the report can be found at the FCMs' website at www.fcm.ca.

For more information on this report, please contact Cordelia Abankwa-Harris at Extension 2150.

The Senior Management Group has reviewed this report.

(The two attachments referred to in this clause were included in the Agenda for the April 15, 2009 meeting.)

IMMIGRATION AND DIVERSITY IN CANADIAN CITIES AND COMMUNITIES

Recent immigrants living in Canada's largest cities face serious challenges during their first five years and, while their situations may improve, they are unlikely to catch up to those born in Canada.

This is one of the principal findings of the fifth theme report in the Federation of Canadian Municipalities' (FCM) Quality of Life series, Immigration and Diversity in Canadian Cities and Communities. The report compares social and economic conditions for immigrants and non-immigrants between 2001 and 2006 in the urban communities making up the Quality of Life Reporting System (QOLRS).

Municipal governments deal directly with the social and economic consequences when newcomers fail to settle successfully, but they are not consulted on immigration policies or programs. By documenting the struggle of recent immigrants, the report supports FCM's call for federal support for municipalities and agencies that are helping immigrants become established.

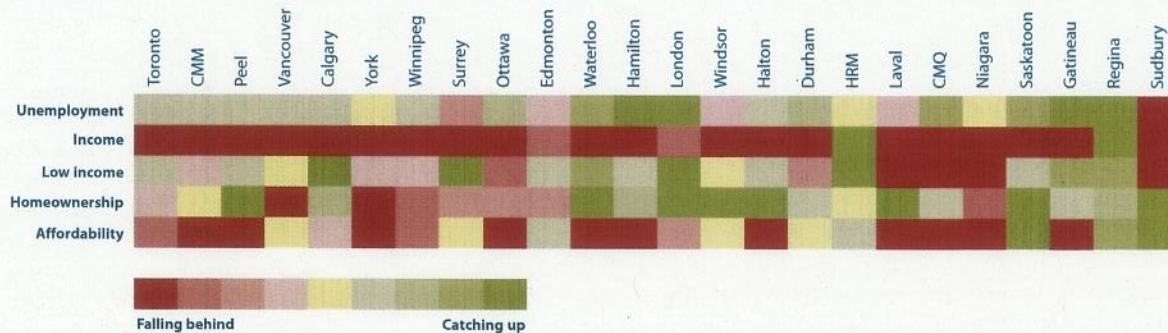
The report in brief

The report focuses on trends and issues related to immigration and diversity in Canada's largest municipalities, regional municipalities and metropolitan communities from 2001 to 2006. For the purposes of the report, the population of the communities studied¹ has been divided into three categories:

- non-immigrants/non-immigrant households—individuals/households with a primary maintainer whose citizenship was granted on the basis of having been born in Canada;
- established immigrants/established immigrant households—individuals/households with a primary maintainer granted permanent resident status and living in Canada for over five years; and
- recent immigrants/recent immigrant households—individuals/households with a primary maintainer granted permanent resident status and living in Canada for five years or less. ➤

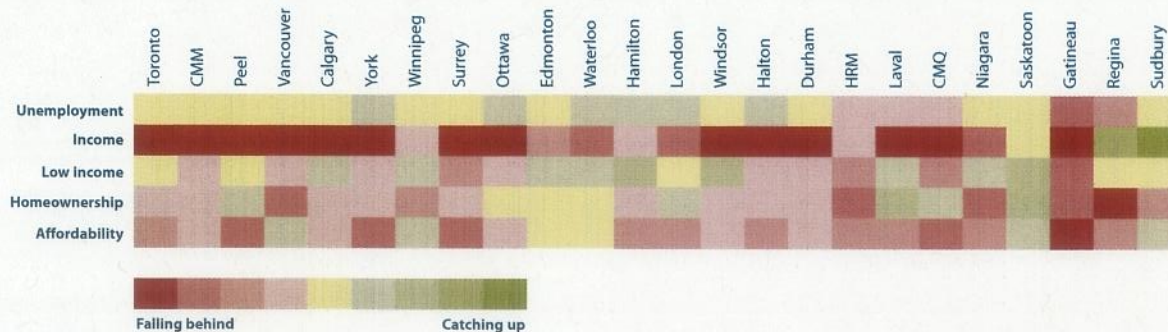
¹These communities include the 23 communities that are members of the Quality of Life Reporting System, plus Windsor, Ontario.

Performance of recent immigrants relative to non-immigrants on five key indicators, all communities, 2001-2006



Source: Statistics Canada, Census Division, Custom Tables

Performance of established immigrants relative to non-immigrants on five key indicators, all communities, 2001-2006



Source: Statistics Canada, Census Division, Custom Tables

Part I | Immigration Settlement Patterns

While QOLRS communities continue to account for approximately 85 per cent of all immigration to Canada, and more than 90 per cent of all refugees, QOLRS communities are losing their share of the most qualified, well-educated and highly skilled immigrants.

In addition to experiencing a net inflow of secondary migration of recent immigrants between 2001 and 2006, the rest of Canada's share of economic immigrants more than doubled during this time.

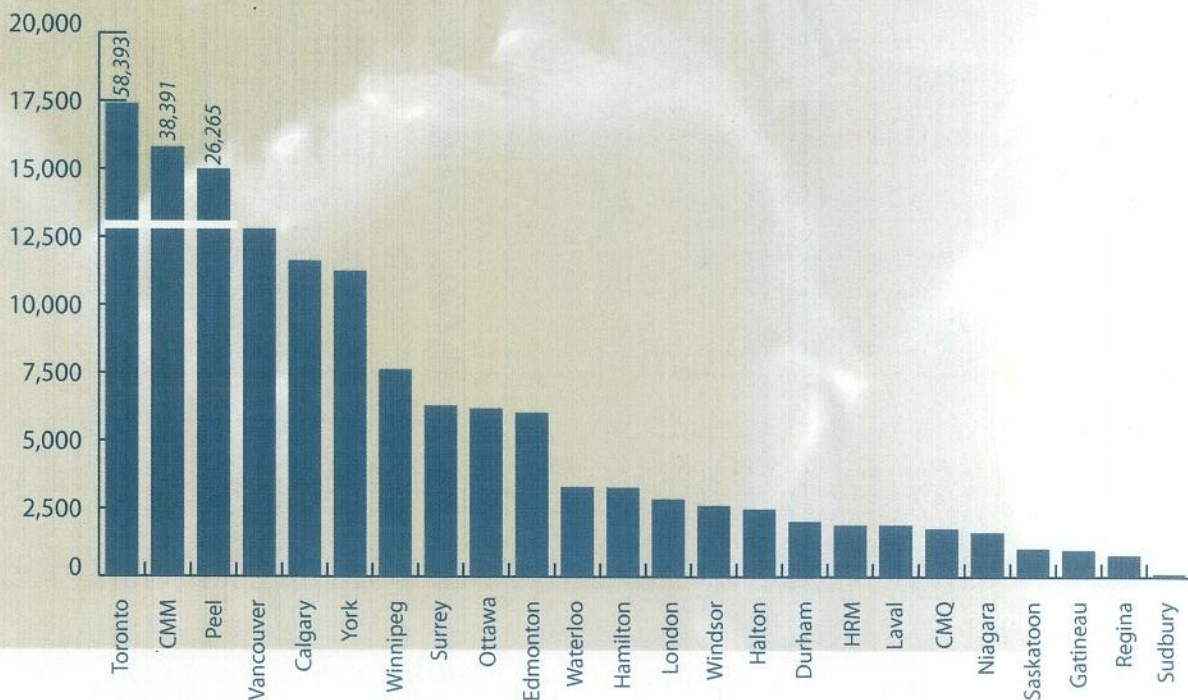
Within QOLRS communities, Canada's biggest cities and traditional immigrant-receiving centres are experiencing measurable erosion of their share of immigration. While the cities of Toronto, Montreal and Vancouver continue to receive the majority of immigrants, both recent immigrants and established immigrants appear to be shifting to suburban areas and smaller communities.

Recent immigrants living in QOLRS communities face significantly greater socio-economic challenges than those living in the rest of Canada.

These differences represent part of the challenge facing Canada's largest municipal governments as they compete for the global pool of highly skilled and educated immigrants.

- Over twice the proportion of recent immigrants living in the 24 QOLRS communities relied on social assistance compared to recent immigrants living in the rest of Canada.
- The unemployment rate gap between recent immigrants and non-immigrants in the rest of Canada, where unemployment among recent immigrants was 1.4 times higher than among non-immigrants in 2006, was significantly smaller than the gap of 2.3 times in QOLRS communities.
- Within QOLRS communities, recent immigrant households with low incomes accounted for 43 per cent of all persons living in recent immigrant households in 2006, nearly three times the rate of non-immigrant households.
- A higher proportion of recent immigrants living in QOLRS communities earned low incomes compared to their recent immigrant counterparts in the rest of Canada.
- Recent immigrants in the rest of Canada were far more likely to be homeowners than were recent immigrants living in QOLRS communities.
- In stark contrast to their QOLRS community counterparts, recent immigrant homeowner households in the rest of Canada experienced a net improvement in housing affordability.

Total immigrant landings, all communities, 2006

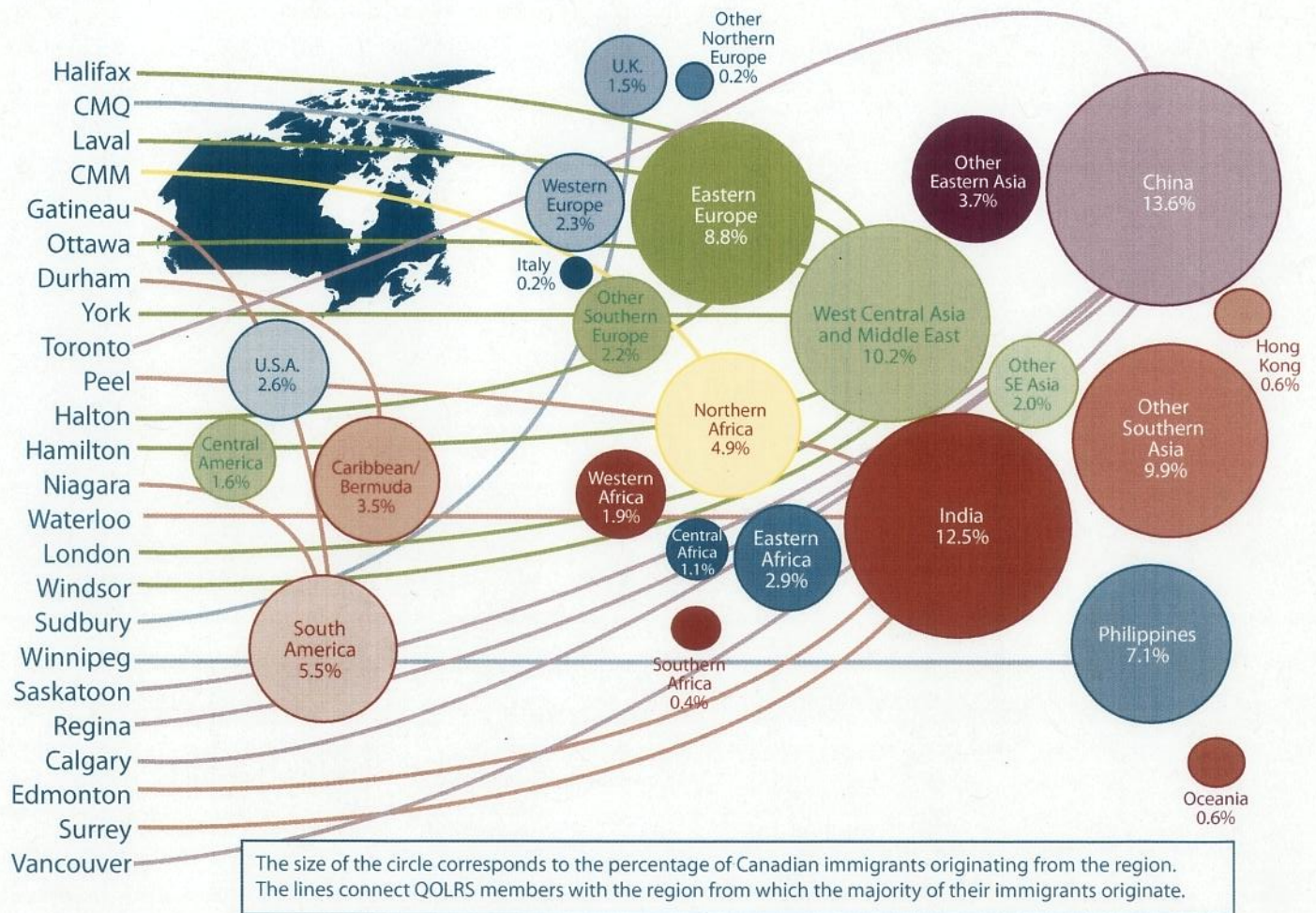


Source: Citizenship and Immigration Canada, Immigration Statistics Division

Part 2 | Diverse and Welcoming Communities

In contrast to the rest of Canada, QOLRS communities are centres of significant and growing cultural and linguistic diversity, measured in terms of multiple places of origin and languages spoken at home. QOLRS communities were five times more culturally and ethnically diverse than communities in the rest of Canada in 2006. One measure of this diversity is that the United States, United Kingdom and Western/Northern Europe accounted for approximately 20 per cent of all recent immigrants in the rest of Canada but less than seven per cent in QOLRS communities. ➤

Place of origin of recent immigrants, all communities, 2006



Source: Statistics Canada, Census Division, Custom Tables

Part 3 | Employment and Labour Force Integration

Immigration is an integral part of the solution to local labour force shortages. All QOLRS communities face the threat of such shortages, measured as a ratio of those exiting the labour force over the next 15 years to those entering the labour force during that time.

Several factors should be considered.

- The large number of immigrants to QOLRS communities provides an influx of working-age individuals into communities facing either stagnant growth in their labour force or shortages of specific types of skills.
- Recent immigrants enter QOLRS communities with post-secondary education levels considerably higher than those of non-immigrants. In effect, immigration can offer a readily available, highly qualified labour force.
- An above-average proportion of recent and established immigrant families living in QOLRS communities have young children, suggesting a longer-term contribution to the local labour force.
- A significant proportion of recent and established immigrants in QOLRS communities have knowledge of both official languages, serving as a further indicator of proficiency and capability.

Nevertheless, unemployment among well-educated recent immigrants remains consistently high. While the proportion of recent immigrants with university degrees was twice as high as that of non-immigrants, the unemployment rate among university-educated recent immigrants was four times greater than that of similar non-immigrants. Similarly, recent immigrants were overrepresented in low-paying service industry occupations and under-represented in better-paying management positions, suggesting a relatively high level of underemployment.

Part 4 | Basic Needs of Recent Immigrants

During their first five years in Canada, immigrants are characterized by relatively low incomes, reliance on scarce rental housing, housing affordability challenges and a higher risk of homelessness.

These characteristics all indicate a need for social intervention, but recent immigrants do not appear to be using such services as much as non-immigrants do. Reliance on social assistance among recent immigrants is very low, there is limited evidence of shelter use among recent immigrants, and their health suggests this group is less of a burden on the health care system than non-immigrants are.

Part 5 | Catching Up and Closing the Gap

Recent immigrants in the majority of QOLRS communities fell further behind non-immigrants with respect to average incomes and housing affordability.

Compared to recent immigrants, established immigrants fell even further behind the non-immigrant population. As with recent immigrants, established immigrants clearly lost ground relative to non-immigrants in the areas of income and housing affordability. However, established immigrants also fell further behind non-immigrants with respect to levels of homeownership. Established immigrants made only negligible gains in the areas of unemployment and the incidence of low incomes.

The Quality of Life Reporting System

Led by FCM, the QOLRS measures, monitors and reports on social, economic and environmental trends in Canada's largest cities and communities. The QOLRS is a member-based initiative. Starting with 16 municipalities in 1996, the QOLRS has grown to 23 communities in seven provinces. QOLRS reports and statistics correspond to the municipal boundaries of member communities.

An online version of this report is available at www.fcm.ca/QOLRS

For more information, please contact:

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**Federation of Canadian Municipalities Report on
Immigration and Diversity in Canadian Cities and Communities**

Report Highlights on York Region Specific Data

Indicator	Value
Total Immigrant Landings, 2006	11,252
Average Household Size, 2006	2.9 – Non-immigrant 3.4 – Established immigrant 3.6 – Recent immigrant
Population Growth Rates, 2001 - 2006	15.0% – Non-immigrant 34.1% - Foreign born (total immigrants)
York Region Immigrant Landings as a % of Provincial Totals, 2006	8.9%
Net Secondary Migration of Recent Immigrants, 2001 - 2006	-7.7%
Visible Minorities as a % of Total Population, 2006	37.2%
Foreign-born (total immigrants) Population as a % of Total Population, 2006	42.9%
Proportion of Population Speaking Neither Official Language at Home, 2006	25.9%
Labour Force Replacement Ratio (Age 0-14/50-64), 2006	1.11
Proportion of Households with Children age 0-12, 2006	43.3% - Non-immigrant Households 33.5% - Established Immigrants Households 54.3% - Recent Immigrants Households
Proportion of Population Speaking Neither Official Language, 2006	0.9% - Non-immigrant 7.1% - Established Immigrants 14.2% - Recent Immigrants
Proportion of Population aged 25-54 with university certificate/degree/diploma, 2006	32.5% - Non-immigrant 36.0% - Established Immigrants 53.2% - Recent Immigrants
Unemployment Rate for Population aged 25-54 with university certificate/diploma/degree, 2006	2.8% - Non-immigrant 3.5% - Established Immigrants 7.9% - Recent Immigrants
Labour Force Participation Rate, 2006	70.5% - Non-immigrant 74.7% - Established Immigrants 67.1% - Recent Immigrants
Proportion of Labour Force in Sales and Service Occupations, 2006	23.8% - Non-immigrant 20.0% - Foreign born (total immigrants) 28.1% - Recent Immigrants
Proportion of Labour Force in Management Occupations	13.9% - Non-immigrant 13.6% - Foreign born (total immigrants) 9.8% - Recent Immigrants
Proportion of Population Receiving Social Assistance, 2005	5.2% - Of all families receiving social assistance 4.6% - Foreign born Canadian families receiving social assistance 2.6% - Recent Immigrants families receiving social assistance

Indicator	Value
Renter Households as a % of All Households, 2006	14.6% - Non-immigrant 8.0% - Established Immigrants 23.4% - Recent Immigrants
Proportion of Renter Households Spending More than 30% of Income on Shelter, 2006	45% - Non-immigrant 50% - Established Immigrants 57% - Recent Immigrants
Proportion of Renter Households Spending More than 50% of Income on Shelter, 2006	19.2% - Non-immigrant 23.6% - Established Immigrants 36.2% - Recent Immigrants
Proportion of Lone Parent Families with Low Incomes (before tax, LICO), 2006	18.4% - Non-immigrant 20.4% - Established Immigrants 49.1% - Recent Immigrants
Proportion of Population Self-rating as Obese or Overweight, 2005	40.3% - Non-immigrant 45.5% - Established Immigrants 23.3% - Recent Immigrants
Proportion of Population Self-reporting as Physically Inactive, 2005	41.4% - Non-immigrant 48.8% - Established Immigrants 57.2% - Recent Immigrants
Proportion of Population Self-Reporting excellent/Very Good Mental Health, 2005	75.7% - Non-immigrant 71.7% - Established Immigrants 67.4% - Recent Immigrants
Proportion of Population Self-Reporting as Not Smoking, 2005	79.0% - Non-immigrant 89.8% - Established Immigrants 88.0% - Recent Immigrants
Proportion of Population with Access to a Regular Doctor in the Past 12 Months, 2005	94.1% - Non-immigrant 96.2% - Established Immigrants 90.2% - Recent Immigrants
Change in Unemployment Rate, 2001 - 2006	1.4% - Non-immigrant 0.7% - Established Immigrants -0.6% - Recent Immigrants
Change in Average Income, 2001 - 2006	16.1% - Non-immigrant 8.2% - Foreign born (total immigrants) -6.2% - Recent Immigrants
Change in Proportion of Households with Low Incomes (Before Tax, LICO), 2001 - 2006	2.4% - Non-immigrant households 2.7% - Established Immigrants households 3.3% - Recent Immigrants households
Homeowner Households as a Proportion of All Households, 2006	85.4% - Non-immigrant households 92.0% - Established Immigrants households 76.6% - Recent Immigrants households
Change in Proportion of Homeowners Spending More than 30% of Income on Housing	2.2% - Non-immigrant households 6.5% - Established Immigrants households 7.7% - Recent Immigrants households

Definitions:

- Recent Immigrants are defined as immigrants living in Canada for five years or less – immigrated between 2001 and 2006
- Established immigrants are defined as immigrants living in Canada for more than five years – immigrated prior to 2001
- Foreign born are defined as Recent Immigrants and Established Immigrants combined
- Low income cut-offs (LICO) are income thresholds, determined by analysing family expenditure data, below which families will devote a larger share of income to the necessities of food, shelter and clothing than the average family would.