

**Snapshot of Immigration in the Toronto Region:
Backgrounder for The Hague Process Toronto Consultation
September 2011**

Summary: This document is intended to provide participants in The Hague Process consultation in Toronto with background information on the policy and practice of immigration in the Toronto region. To give some context, it is worth noting that the Toronto region is comprised of the City of Toronto and four regional governments and is home to 5,656,822 people. The region is the economic capital of Canada and possesses a number of unique strengths which have driven its economic success and significant growth in the last decade:

- high quality of life (see Figure 1);
- low costs of doing business and strength in financial and business services;
- an extremely diverse and growing population, with almost half of the population foreign born, making Toronto the most 'global' city in the world (see Figure 2); and
- the best educated workforce in the G8.

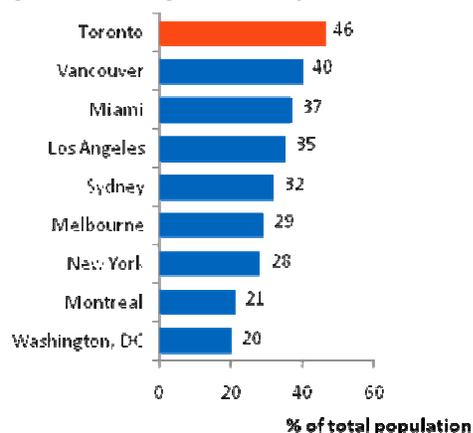
For further details on the region's strong value proposition for investment and talent, please visit <http://www.trra.ca/en/region/resources/TorontoRegion-AtaGlanceFactSheetApril2010.pdf>

**Figure 1: 2009 Quality of life ranking index
Toronto vs. major Canadian & US Cities**



Note: Base city New York = 100
Source: Toronto Region Research Alliance, Mercer 2009

Figure 2: Foreign Born Population as % of Total



Note: Figures shown for Toronto CMA, foreign born population in 2006 for Canada, 2005 for United States.
Source: Statistics Canada, Australian Bureau of Statistics, U.S. Census Bureau

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1. Introduction

For the last several decades, Canada has been known as a country of immigrants, admitting roughly 250,000 newcomers annually. In 2010, Canada admitted nearly 281,000 permanent residents, the highest level since 1957. The federal government has historically been responsible for designing the country's immigration policy, though new roles have recently emerged for provincial and municipal players to help shape this policy area. Individuals are admitted to Canada through several different classifications.

2. Classes of Immigrants

a. **Permanent Residents:**

i. **Economic class/Business (roughly 60%, including spouses and dependants)**

- The majority enter through the Federal Skilled Worker Program, which uses a points system that assesses education, age, work experience, official language proficiency, and pre-arranged employment.¹
- Canada also admits business immigrants, who are selected based on their potential contributions to the Canadian economy through investment, business establishment and/or job creation.
- In recent years, the federal government has developed new opportunities for individuals to apply for permanent residency through the Provincial Nominee Program, according provinces the opportunity to select immigrants who meet their specific labour market needs.
- The Canadian Experience Class, launched in 2008, is available to international students and skilled foreign workers with sufficient Canadian job experience.

ii. **Family class (26%)**

- Canadian citizens or permanent residents over 18 years of age may sponsor their immediate family members.
- Sponsors must agree to be financially responsible for their sponsored family member(s) for a fixed period of time: three years for spouses/partners and children, and 10 years for parents and grandparents.

b. **Protected persons (refugees) or those accepted on humanitarian and compassionate grounds (14%).**

- i. Canada's refugee determination system manages refugee claims made by individuals within Canada. Canada has two major refugee categories:
 - Resettled refugees, who have been sponsored from abroad by the government and/or sponsored by private organizations; and
 - People who have made successful refugee claims from within Canada.
- ii. Canada also maintains a commitment to assisting those in humanitarian crises.

c. **Temporary Foreign Workers:** Canada's policies have also shifted towards the recruitment of temporary foreign workers. Since 1999, the inflow of temporary foreign workers to Canada annually has nearly doubled, reaching a total annual inflow of 178,271 workers in 2009 (CIC 2010a).

¹ In an effort to reduce large backlogs of applicants, recent amendments to the Immigration and Refugee Protection Act removed the requirement that all applications received have to be processed to a final decision and accorded the Minister of Citizenship and Immigration the authority to accelerate the applications of those qualified to work in specific high-demand occupations (Auditor General of Canada 2009).

3. Distribution of origin of Toronto region immigrants

In 2009, the majority (47.7%) of Canada’s Economic Class permanent residents arrived from Asia and the Pacific, with the People’s Republic of China, the Philippines and India as the top source countries, followed by Africa and the Middle East (22.1%) and Europe and the United Kingdom (19.8%). The proportions for new Family Class permanent residents are similar, with 52% from Asia and the Pacific, 14.9% from Africa and the Middle East, 13.6% from Europe and the United Kingdom and 11.9 from South and Central America (See Figure 3). Temporary workers arrive primarily from the United States, Mexico and France (see Figure 4).

Canada receives a large majority (47.4%) of refugees from Africa and the Middle East, followed by Asia and Pacific (21.9%) and South and Central America (16.1%)² with Mexico (22%), Hungary (7.7%) and Columbia (7.4%) as the top source countries.

Figure 3: Canada – Permanent residents (including economic and family classes) by top 10 source countries, 2007–2009³

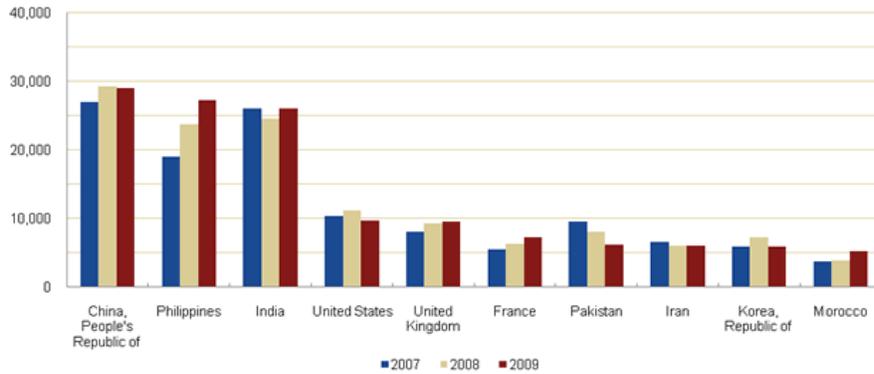
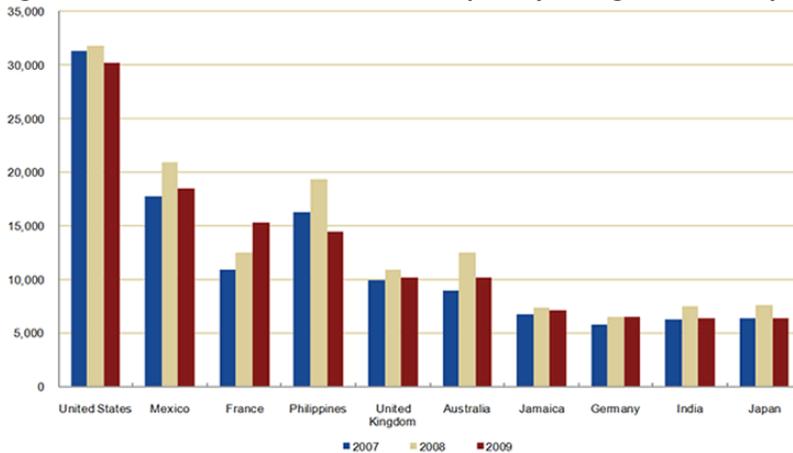


Figure 4: Canada – Total entries of temporary foreign workers by top source countries, 2007-2009⁴



² <http://www.cic.gc.ca/english/resources/statistics/facts2009/permanent/08.asp>

³ Source: Citizenship and Immigration Canada (2009) <http://www.cic.gc.ca/english/resources/statistics/facts2009/permanent/10.asp>

⁴ Source: Citizenship and Immigration Canada (2009): <http://www.cic.gc.ca/english/resources/statistics/facts2009/temporary/07.asp>

4. Services available for immigrants and refugees

Upon arrival, immigrants and refugees have access to a variety of federally funded settlement services such as translation and language training, employment and community programs. Once an individual becomes a permanent resident, which can take from one to six years depending on the class through which they apply, both they and their dependants are protected under Canadian law, including the *Canadian Charter of Rights and Freedoms*, and have the right to receive most of the social benefits that Canadian citizens receive, including health care coverage.

5. Role of Cities in Immigration Selection and Integration

Historically, the federal government has been solely responsible for determining immigration policies, although provinces have had an expanding role in supporting settlement and, increasingly, selection, through the Provincial Nominee Program, which gives provinces and territories the ability to select immigrants in accordance with specific provincial labour market needs.

Canadian cities have not had a formal role in the selection of immigrants, but the Canada-Ontario Immigration Agreement, signed in 2005 and to be renegotiated in 2011, aims to enhance collaboration between Canada and Ontario on immigration matters, while recognizing the importance of involving community stakeholders, including municipalities and service providers. An opportunity exists in the upcoming round of Canada-Ontario agreement negotiations to give the Toronto region, with its unique challenges and expertise, a greater voice in shaping immigration policy. The recently implemented Provincial Nominee Program may also provide an opportunity for municipal players to play a stronger role in immigration policy, via their relationships with provincial policy makers.

While not always directly involved in immigration and refugee policy development, cities play an important role in its implementation, particularly through the provision of settlement services. The federal government, through Citizenship and Immigration Canada, funds several settlement services that encourage participation in community activities and provide newcomers with reception and orientation, translation and interpretation, referral to community resources, and professional counseling and employment-related services in order to foster integration. French or English language training programs are also offered on either a full or part time basis depending on ability and need. These programs are delivered at the municipal level through municipal governments and/or community organizations.

6. Role of Business *vis à vis* Immigration

Businesses engage immigrants both as new customers and employees, and thus are deeply invested in immigration trends and outcomes. Companies and individual corporate leaders have been key partners in non-governmental initiatives such as the Toronto Region Immigrant Employment Council (TRIEC), which creates and champions solutions to better integrate skilled immigrants in the Greater Toronto Region labour market, including through a highly successful mentoring program that matches corporate volunteer mentors with skilled immigrants who aspire to gain employment in their fields. The success of TRIEC's multi-stakeholder approach has been widely affirmed and is now being replicated in cities across Canada through the Assisting Local Leaders with Immigrant Employment Strategies (ALLIES) initiative.

In the Toronto region, many businesses have taken steps to address barriers to employment of immigrants, particularly of highly-skilled immigrants, by developing best practices that improve their recruitment and hiring processes. The importance and value of such hiring innovations, as well as of effective retention practices, are increasingly recognized not only for the successful business outcomes they produce but also for branding and marketing purposes. This recognition is reflected in the growing emphasis placed on

“diversity” and the increase in senior corporate leaders whose roles include responsibility for diversity and inclusion, which typically encompass new immigrant hiring, together with considerations of gender, ethnic and racial diversity, disability, sexual orientation, among other dimensions. Some of Canada’s most prominent corporate executives have contributed their leadership to these issues. For example, TRIEC has been chaired by representatives of Canada’s largest financial institutions, previously by then President and CEO Dominic D’Alessandro and Executive Vice President Diane Bean of Manulife Financial and now by Gord Nixon, President and CEO, and Zabeen Hirji, Chief Human Resources Officer, of RBC Royal Bank.

Small and medium-sized businesses that are started by immigrants are a growing presence in the Toronto region; these immigrant entrepreneurs are often particularly adept at hiring and serving other immigrants. New efforts to help build the capacity and market share of small- and medium-sized enterprises run by immigrants and/or racial minorities have gained ground, with programs that encourage procurement by large organizations of goods and services from such SMEs earning support from public and private partners.

Business-oriented think tanks and associations also engage corporate leaders and government on the economic role of immigration on our local and national economic prospects. For example, the Conference Board of Canada convenes a Leaders’ Roundtable on Immigration and produces research and policy recommendations around immigration, including the role of immigrants as innovators that contribute to Canada’s global competitiveness and the value of diverse leadership.

7. Current situation in the Toronto region

The Toronto region has long been the top destination for Canada’s immigrants, receiving roughly 32.8% of the country’s permanent residents in 2009.⁵ The diversity of the population is both a unique strength for the Toronto region and a critical component of its economic success. Newcomers enrich our region’s human capital with their international experience, diverse language skills, access to international networks and understanding of foreign markets. As the region, along with many others internationally, adapts to changing demographics and an aging population, it will continue to rely on immigration as a key source of talent to maintain a strong workforce and ensure economic growth.⁶ Recent data⁷ has shown, however, that, due to the increased attractiveness of and competition from other urban areas across Canada, we have seen a 17% (17,000 person) overall decrease in the number of immigrants choosing to settle in our region over the last decade.

To date, the Toronto region has been the envy of many city regions for its success in integrating such large numbers of newcomers. However, there remain certain barriers that prevent many newcomers from realizing their full economic potential, creating a large gap between the labour outcomes of immigrants and Canadian-born individuals. Immigrants consistently face both higher unemployment and a greater incidence of underemployment than people Canadian-born.

The many immigrants who turn to entrepreneurship or self-employment are, on average, earning higher incomes (relative to their Canadian-born equivalents) than immigrants in paid employment.⁸ Immigrant entrepreneurs in other nations, including the United States, have had a significant economic impact, particularly in the growing high-tech sectors. In the U.S., 40% of publicly traded venture-backed companies

⁵ Citizenship and Immigration Canada. (September 2010). *Facts and Figures 2009 – Immigration Overview: Permanent and Temporary Residents*. Accessed January 2011 from: <http://www.cic.gc.ca/english/resources/statistics/facts2009/permanent/11.asp>.

⁶ Ibid.

⁷ Ibid.

⁸ Frenette, M. (2004). *Do the Falling Earnings of Immigrants Apply to Self-employed Immigrants?* Ottawa: Statistics Canada.

operating in high-technology manufacturing today were started by immigrants.⁹ In the Toronto region, we see a significant opportunity to increase support for immigrant entrepreneurs and those who turn to self-employment.

8. Challenges and promising recent initiatives

While many players (governments, non-profit organizations, employers, etc.) across the Toronto region are working individually and together to help realize the positive potential of immigrants for our economy, newcomers still face many economic and social challenges. Some of the challenges and promising recent developments we hope to build on include:

CHALLENGES	PROMISING RECENT INITIATIVES
No focused effort exists to understand, promote and leverage the value of immigrant assets (e.g. international networks and experience). As a result, immigrants with university degrees have twice the unemployment rate and earn 40% less than Canadian-born people with university degrees ¹⁰ (see Figure 5).	Manitoba tailored its Provincial Nominee Program through consultations with employers and existing immigrant communities to attract immigrants to meet local labour needs. Nominees enter the labour force rapidly and experience low levels of unemployment in subsequent years.
There is not enough of a global mindset in Canadian business leadership, especially among small- and medium-sized enterprises, about hiring immigrants. The information and services related to hiring immigrants are offered by many organizations and are difficult for both employers and immigrants to navigate .	The Toronto Region Immigrant Employment Council brings together all stakeholders – employers, regulatory bodies, educators, labour, community groups, government and immigrants – to develop collaborative, local, practical solutions.
Difficulty in getting recognition for foreign credentials and experience remains a challenge for many.	The Ontario Fairness Commission and the World Education Services were established to address the challenge of credential recognition and provide assessment services. To date both have demonstrated success.
English communication skills for the workplace must be better suited to meet employer needs. Research shows that English proficiency levels for 60% of newcomers are below the desired level for success in our knowledge-based economy. ¹¹	The Canadian Immigration Integration Project prepares immigrants before arrival with a comprehensive set of online services including language training, job readiness, cultural competency, employer connections and industry specific mentoring.
The redistribution of federal funding for settlement services to other regions has left many Ontario service agencies with insufficient financial support to effectively meet the needs of newcomers, potentially threatening effective integration.	Citizenship and Immigration Canada and the Ontario Ministry of Citizenship and Immigration created the Contribution Accountability Framework to measure the results of settlement services it funds in order to identify areas for program improvements. They also created Local

⁹ Anderson, S., & Platzer, M. (2010) *American Made: The Impact of Immigrant Entrepreneurs and Professionals on U.S. Competitiveness*. Arlington, Virginia: National Venture Capital Association.

¹⁰ Preston, V., Damsbaek, N., Kelly, P., Lemoine, M., Lo, L., Shields, J. & Tufts, S. (2010) *What Are the Labour Market Outcomes for University-Educated Immigrants?* Toronto Immigrant Employment Data Initiative <http://www.yorku.ca/tiedi/doc/AnalyticalReport8.pdf>

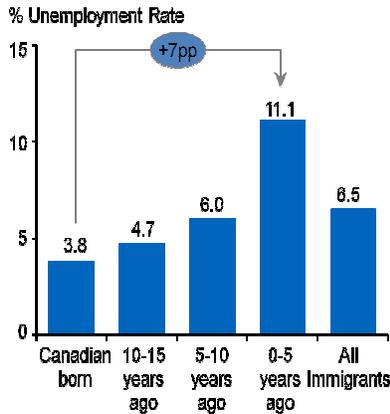
¹¹ Statistics Canada (2003). *International Adult Literacy Skill Survey*. Ottawa: Statistics Canada. Accessed January 2011 from: <http://www.statcan.gc.ca/daily-quotidien/051109/dq051109a-eng.htm>

	<p>Immigration Partnerships to coordinate and enhance the current service delivery network through strategic partnerships with service providers and organizations.</p>
<p>Newcomers have weaker local networks than Canadian-born people, and different networking strategies that may not be appropriate to the Canadian context.</p>	<p>The Toronto Board of Trade hosts networking events that bring together diverse business communities to expand cross-cultural business ties.</p> <p>DiverseCity, an initiative of CivicAction and Maytree has built the business case and developed 8 initiatives to help diversify the leadership landscape of the region.</p>
<p>No program in the Toronto region is specifically targeted to address the unique challenges faced by immigrant entrepreneurs or self-employed immigrants.</p>	<p>DiversityWorks (Hamilton) initiated a business mentoring program for local business leaders to share their experience, knowledge, and networks with immigrant entrepreneurs.</p>

Note: This list is not comprehensive of all challenges and initiatives but illustrative of the kind of work taking place across the region.

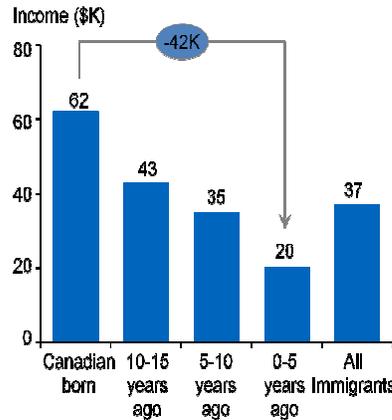
Figure 5

Unemployment rates for Canadian-born and Immigrant university degree holders, Toronto CMA



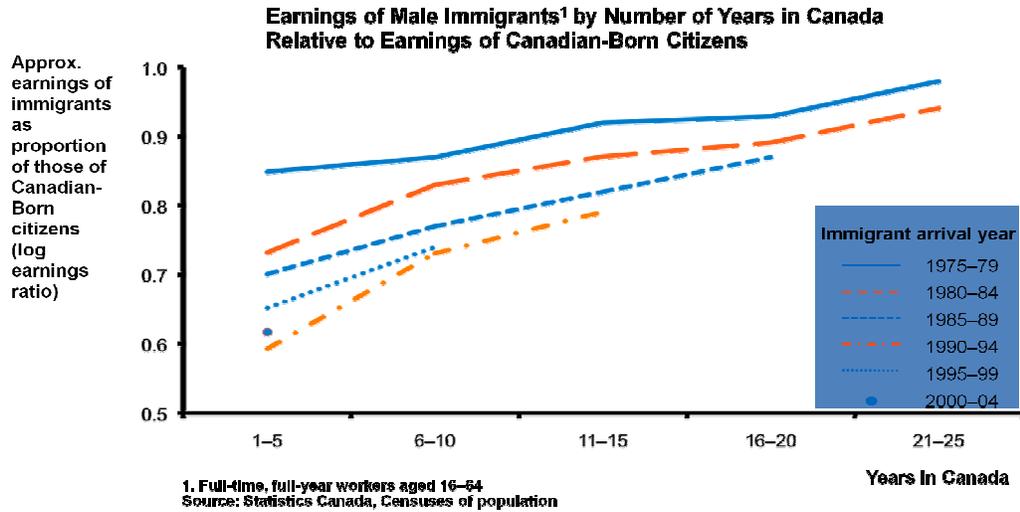
Source: TIEDI
Data from 2006
Arrival time in Canada

Average annual earnings for Canadian-born and Immigrant university degree holders, Toronto CMA



Source: TIEDI
Data from 2006
Arrival time in Canada

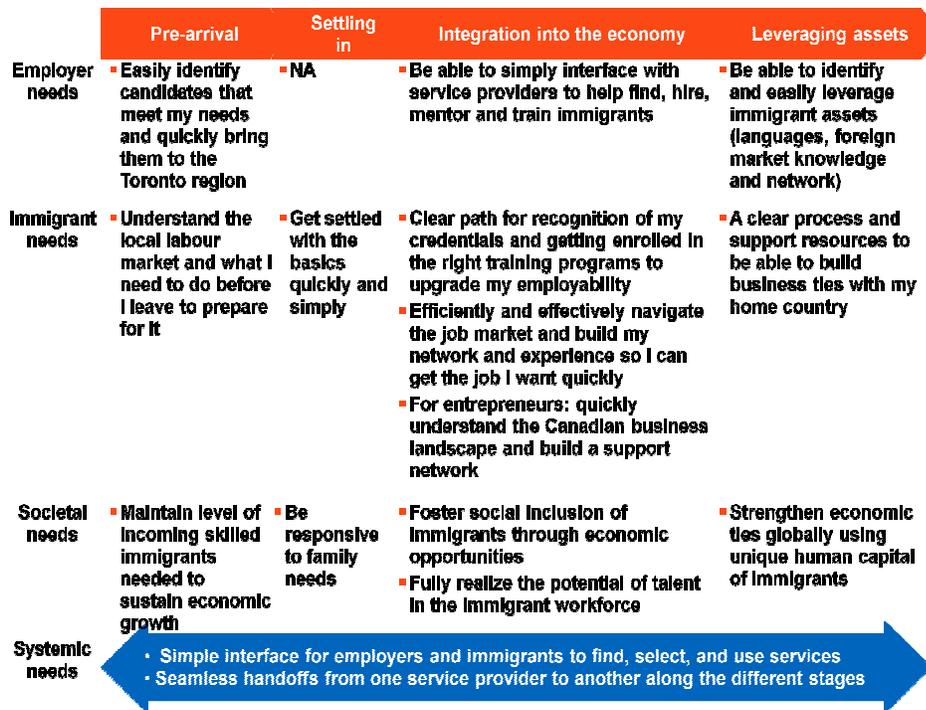
Figure 6



9. Opportunities for Action and Collaboration

The immigrant journey vis à vis the Toronto region’s economy goes through four stages. The framework in Figure 7 provides a preliminary mapping of these stages against the needs of immigrants, employers, and society in general.

Figure 7



CivicAction has identified several areas for further collaboration around immigration and integration policy and practice.

1. Building a common vision and coordinated strategy for the region¹²

An opportunity exists to bring together and strengthen existing efforts to improve immigrant integration by creating a **common vision and coordinated strategy for the region** that takes a holistic view of the different experiences over the course of immigrant arrival and integration. A regional vision and strategy would help to:

- **Define the opportunities the Toronto region should explore with respect to the Canada Ontario Immigration Agreement, including our regional position going into the upcoming agreement re-negotiations:**
 - What are the region's needs and priorities?
 - What are the outcomes we would like to see?
 - What is the role of different stakeholders in achieving the objectives of the new agreement?
 - What is the particular role of local government in this context?

- **Develop a more granular understanding of skill needs in the region and use to:**
 - proactively seek talent:
 - categorize skills in the application queue;
 - leverage the Provincial Nominee Program;
 - proactively market the Toronto region to talent centres through economic development agencies, consulates, and immigrant networks (similar to efforts in cities such as Singapore and Montreal); and
 - expand English training programs tailored for the workplace (building on existing pilot programs).

2. Promote better collaboration between orders of government to attract and settle immigrants and to provide adequate and predictable funding for essential settlement services.

Reflecting the current constitutional arrangement, it is the federal government's role to provide more leadership in fostering a truly national and well coordinated immigration strategy. Its goals should be to help eliminate siloed policies and programs, improve international collaboration, and clarify the nation's economic goals and the role and value of immigration in achieving them. Empowering provincial and municipal governments to play a bigger role, not just in settlement policies and programs but also in defining and setting the priorities for immigration attraction and selection to help meet the region's specific economic needs, will be critical to compete globally. As a starting point, the federal and provincial governments should agree on an appropriate mechanism to ensure adequate and predictable funding of essential settlement services and to enable effective stakeholder input on selection policy.

3. Create a model for one-stop business development support centres for self-employed and entrepreneurial newcomers that can be delivered regionally.

At a more practical level, a new frontier for newcomer economic integration would involve devising and delivering business development and support services for self-employed and entrepreneurial newcomers. Many initiatives to help immigrants find their way into employment are already running successful programs, like t and DiversityWorks (noted above). These need to be continued across the Toronto region and expanded, because, at present, the needs of self-employed or entrepreneurial newcomers are not

¹² Opportunities for action outlined under *Building a common vision and coordinated strategy for the region* will be discussed as part of the Summit plenary session "Our Greatest Strength, Our Biggest Challenge: Immigration, Economic Growth and Social Cohesion" on Thursday, 10 February 2011.

being adequately addressed, to the detriment of our economy. The time is right to establish a range of services, including: business development and incubation; legal supports; mentoring, connecting and network building; and, facilitating access to capital. Ideally, these services should be delivered regionally, potentially through a one-stop-shop model. Access to capital is particularly challenging for many newcomers wishing to establish start-ups. In addition to a regional one-stop business support service, innovative funding options need to be developed. A tax credit for private or non-profit investors to fund newcomer start-ups could help encourage investment, while a more complex but higher impact solution would be to establish an administered venture capital fund targeting immigrant business start-ups.

4. Create an independent annual summary of immigration-related economic and social policy indicators.

Our universities abound with excellent researchers and specialist research centres focused on immigration-related issues and community organizations serving immigrants also produce useful data and materials. But access to these stores of knowledge is limited for the average person, business and community organization, and, where available, the research is not presented for non-specialist audiences. More needs to be done to aggregate and make information easily and readily accessible for a wide variety of audiences and through engaging interfaces. An annual summary could foster more public accountability on how our immigration dollars are spent and the outcomes the investments yield. It could also highlight key data to help communicate the value of immigration, such as the number of patents filed by newcomers and small business success, and bring together an accessible set of key indicators on social integration and mobility that can be easily tracked and measured over time.