
DATE: March 30, 2011

REPORT TITLE: **IMPACT OF IMMIGRANT SETTLEMENT CHALLENGES ON THE REGION OF PEEL**

FROM: Janet Menard, Commissioner of Human Services

RECOMMENDATION

That the Regional Chair write, on behalf of Council, to the Federal Minister of Citizenship Immigration and Multiculturalism and Provincial Minister of Citizenship and Immigration, outlining the Region's concerns in relation to the disproportionate cut in immigrant settlement funding for the Region of Peel, and the potential adverse impact on the Region's ability to address immigrant issues;

And further, that the Region of Peel work through the Peel Newcomer Strategy Group to assess the impacts of increasing immigration and declining funding and the success of newcomers' integration and settlement in Peel.

REPORT HIGHLIGHTS

- The Region of Peel currently tracks information related to immigrants for the Ontario Works (OW) program only.
- In 2010, recent immigrants accounted for 25 per cent of the total number of persons receiving Ontario Works with a gross cost of \$48 million, or 34 per cent, of the total OW program gross cost of \$143 million.
- Overall immigrants rely on social assistance less than Canadian born with the exception of new immigrants. In 2006, Canadian born residents, immigrants over 10 years in Canada, and recent immigrants receiving OW accounted for 3.2 per cent, 1.7 per cent and 3.8 per cent of their respective overall populations.
- For the period 2005 to 2010, the number of immigrants receiving OW increased at a slower rate than the non-immigrant population.
- Immigration enriches our communities and strengthens our economy and is on the rise in Canada. However, without the right supports and services, immigrants cannot quickly and effectively maximize their skills and education.
- The total amount of Citizenship and Immigration Canada (CIC) settlement funding invested in Peel for the 2009 fiscal year was \$61,308,219. This is less than the amount Peel Region received one year before by \$13,246,625, or 17.8 per cent. Based on this, the total CIC funding has decreased almost nine times more than the percentage of new landed immigrants while the needs for services remain.
- The funding reduction will affect the Region's ability to address immigrant issues, thereby impacting immigrants' ability to contribute to the economic health and cultural diversity of Peel.

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DISCUSSION

1. Background

As per Regional Council resolution 2011-2, the Commissioner of Human Services was requested to report back to a future meeting with information regarding the financial impact to the Human Services budget that results from immigrants who come to Canada after being assured of employment opportunities, only to find that the opportunities are not as represented. It was also requested that the report include recommendations for reporting these situations to the Ministry of Citizenship and Immigration (MCI).

a) Peel's Immigrant Population

Population growth in Peel has largely been driven by immigration. Peel's immigrant population grew by 65 per cent from 1996 to 2006, compared to the Region's total population that grew by 36 per cent over the same period. As per the 2006 Census data, immigration accounted for 49 per cent of Peel's total population, compared to 28 per cent for Ontario and 20 per cent for Canada. Recent immigrants who have been in Canada for less than ten years accounted for 18 per cent of Peel's overall population, compared to 8 per cent and 5 per cent for Ontario's and Canada's respective total populations.

b) The Challenge of Immigrants Integrating

Based on a 2010 Federation of Canadian Municipalities (FCM) report, the need for services related to settlement and integration is due to large numbers of newcomers and high rates of under-employment and poverty among immigrants. This has implications for municipal governments as they struggle to provide adequate affordable housing, emergency shelters, social assistance and public health services to newcomers."

Many reports have identified the greatest challenge to successful integration of immigration in the community as that of immigrant employment. While, technically, new immigrants are not promised employment; through the selection and assessment of their credentials and experience, they are left with the strong impression that successful employment is assured. The 2008 Conference Board of Canada report "Towards a Convergence and Consolidation of Canada's Immigration Policies and Systems" states "many migrants to Canada are not yet able to make their full contribution to the workforce. They are often inhibited from participating in Canada's economy in positions commensurate with their international work experience, credentials, or level of competency". The unemployment rate for recent immigrants aged 25-54 with university certificates, diploma or degree was 10 per cent, compared with 3 per cent for the total population in Peel in 2006. As a result, some immigrants end up on the Region's social support system.

The Region of Peel currently provides financial support for qualified residents through three financial assistance programs, namely: Ontario Works (OW), Social Housing support programs, and the Child Care Fee Subsidy program. OW records the financial costs of both the immigrant and non-immigrant participants in the program. The financial costs attributed to all other (i.e. citizens and immigrants in Canada over ten years) and recent immigrants (i.e. immigrants in Canada less than 10 years) have been recorded for each year since 2005. The financial costs associated with the Social Housing support program and the Child Care Fee Subsidy programs are recorded only for the overall population. In addition, while the OW program (currently being uploaded to 100 per cent

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provincial costs) responds to the needs of all eligible applicants, housing and child care subsidy is limited by budget availability and unmet needs are managed through wait lists.

Staff recommend that a mechanism be developed to report the adequacy of immigrant settlement services in Peel through the Peel Newcomer Strategy Group.

2. Findings

a) Benefits of Immigration

Notwithstanding the previously noted immigrant settlement issues and the challenges in affecting immigrants' successful transition to Canadian life, immigration is of vital importance to the socio-economic health of Canadian communities. Immigration enriches our communities and strengthens our economy and is on the rise in Canada. The Region and the country stand to benefit in many different ways from their move. These benefits include:

- Immigrants are a source of diverse knowledge and experience that can increase innovation in Canadian businesses.
- At least 35 per cent of Canada Research Chairs are foreign-born, even though immigrants are just one-fifth of the Canadian population.
- Immigration rates affect trade levels between Canada and immigrants' countries of origin. Based on the Conference Board's model of known factors influencing trade, a one percentage point increase in the number of immigrants to Canada can increase the value of imports into Canada by 0.21 per cent, and raise the value of exports by 0.11 per cent.
- Foreign direct investment into Canada is greater from countries that are well represented in Canada through immigration, based on data from the census and from Foreign Affairs and International Trade Canada.

Based on the high levels of immigrants arriving in Peel, a continuation of this trend has the potential to further contribute to the growth of the property tax base and inflows to the Region's budget. However, these outcomes are dependent on successful settlement and integration.

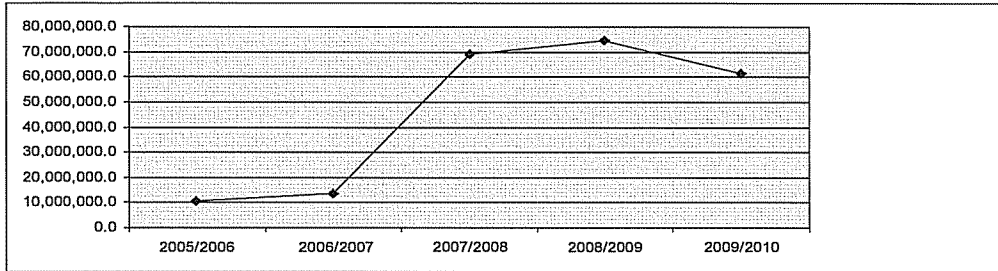
b) Issues Affecting Immigrants Settlement and Integration

Federal funding for immigration services has not kept pace with the increase in the share of immigrants coming to Peel. The total amount of CIC settlement funding investment in Peel for the 2009 fiscal year (April 1, 2009 to March 31, 2010) was \$61,308,219. This is less than the amount Peel Region received one year before by \$13,246,625, or 17.8 per cent. Based on this, the total CIC funding had decreased almost nine times more than the percentage of new landing immigrants, while the needs for services remain.

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The graph below shows that settlement funding increased substantially over the period 2006/2007 to 2008/2009; however, there has been a sharp decline in funding for 2009/2010.



This change in settlement funding will affect the Region’s ability to address immigrant issues, thereby impacting immigrants’ ability to contribute to the economic health and cultural diversity of Peel. Without the right supports and services, recent immigrants cannot quickly and effectively maximize their skills and education.

There is a lack of policy cohesion around immigrant settlement. In addition, there are issues of discrimination in the labour market and lack of recognition of international credentials, which creates a major barrier to appropriate employment.

The availability of adequate housing is especially critical to immigrant’s well-being. Poor housing can contribute to poor health, while poor health can make it more difficult for people to find and maintain good-quality housing and participate in the workforce.

Recent studies give clear indications that housing also has an influence on people including immigrant’s education, which in turn affects their future employment opportunities.

c) Region of Peel program support for immigrants

In 2010, the total OW gross cost attributed to recent immigrants was \$48 million, or 34 per cent of total gross program cost of \$143 million. Table 1 in Appendix I outlines the yearly payments for the period 2005-2010 to Canadian born, immigrants over 10 years in Canada and recent immigrants.

Overall immigrants rely on social assistance less than Canadian born with the exception of new immigrants. In 2006, Canadian born residents, immigrants over 10 years in Canada, and recent immigrants receiving OW accounted for 3.2 per cent, 1.7 per cent and 3.8 per cent of their respective overall populations.

For the period 2005 to 2010, the number of recent immigrants receiving OW increased from 8,164 to 10,695 compared to immigrants over 10 years in Canada that increased from 5,478 to 7,539 and Canadian born that increased from 23,346 to 32,532. This represents an increase of 31 per cent for recent immigrants, 52 per cent for immigrants over 10 years in Canada and 35 per cent for Canadian born residents. Graph 1, Appendix I, illustrates the growth in the numbers of recent immigrants, immigrants over 10 years in Canada and Canadian born residents receiving OW for the years 2005-2010.

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d) Regional Initiatives to Address Immigrant Settlement Issues

The Conference Board of Canada estimates that Canada loses between \$4.1 and \$5.9 billion annually due to the lack of recognition of newcomers' qualifications. Thirty-nine per cent of recent immigrants aged 24-65 report having a university certificate, diploma or degree, compared with 23 per cent of the total population.

Over the years, the Region of Peel has put in place a number of initiatives to better integrate newcomers to improve their ability to productively participate in society. These initiatives include: The Peel Newcomer Strategy Group (PNSG), Peel Immigration Web Portal, and Liveable Peel Immigration Project. The Region of Peel is actively working through Toronto Region Immigrant Employment Council (TRIEC) and other bodies in the Greater Toronto Area (GTA) on solutions to the "credentials" barriers experienced by newcomers – and the even bigger barrier of international and Canadian work experience.

In addition, Region of Peel staff serves on several Federal-Provincial committees implementing the Canada-Ontario Immigration Agreement. They include: the Municipal Immigration Committee (MIC), the Settlement Working Group and the Language Training Working Group. Further, the Region of Peel has invited the federal government to use Peel to pilot new collaborative and community-based methods for the streamlining of skills development and the integration of immigrants into jobs and the community. These initiatives support Regional Council's demonstrated commitment to advocate for supports for essential services and access to jobs for immigrants in Peel.

Further, these initiatives support numerous senior governments' initiatives to better integrate and settle newcomers. These initiatives include:

- The Canada Ontario Immigration Agreement (COIA) that was extended to March 31 2011 after the expiry of the first 5 years agreement on March 31, 2010. The Federal government and the Province are currently at the table negotiating a new COIA.
- The Fair Access to Regulated Professions Act 2006, and
- Enhanced Language Training Programs.

A key area of focus under COIA was the support of Local planning mechanisms which allowed for new proposals to combine or expand the old silos of traditional language and settlement programs.

3. Proposed Direction

Staff proposes that the Regional Chair, on behalf of Council, write to the Federal Minister of Citizenship Immigration and Multiculturalism and Provincial Ministry of Citizenship and Immigration, outlining the Region's concerns in relation to the disproportionate cut in immigrant settlement funding for the Region and the potential impact on the Region's ability to address immigrant issues.

Further to Council Resolution 2011-251, the Regional Chair has written to the Federal Minister of Citizenship Immigration and Multiculturalism and the Provincial Minister of Citizenship and Immigration, urging both levels of government to ensure that the Canada-Ontario Immigration Agreement (COIA) is successfully renegotiated and that municipalities are full partners in the implementation of any new agreement on immigration services in Ontario; and in any delivery model that is implemented for immigrant services. The letters also stressed the importance of ongoing sustainable local planning mechanisms to ensure

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effective coordinated service delivery to immigrants and local input into federal and provincial policies that impact newcomers. Staff will continue to monitor the negotiations and the Federal and Provincial government's response to this request and recommend directions based on the findings.

In addition, the Region of Peel will continue to support the work of PNSG. Six working groups have developed a strategic action plan for implementation over three years starting April 2011. Regional staff will continue to support advocacy for financial support of this important Local Immigration Partnership (LIP).

The lack of affordable housing has numerous social implications for immigrants. The Region of Peel will continue to urge the provincial government to:

- Provide ongoing capital and operational funding for new buildings and the maintenance of current housing stock.
- Continue to work in partnership with municipalities during the implementation phase of its Long-Term Affordable Housing Strategy.
- Encourage the federal government to lead a national housing strategy including an immediate infusion of federal money into high-growth areas of the country that are in the most need of affordable housing.
- Encourage the federal government to reinvest current mortgage payments to CMHC and CMHC surpluses back into housing.

CONCLUSION

Immigrants make a vital contribution to Canada and to our communities; however, they face obstacles that limit their ability to maximize their contribution to the community. These include inadequate recognition of international experience and qualifications, failure of employers to tap foreign language skills and lack of opportunities for newcomers to fully utilize their skills.

Immigration enriches our communities and strengthens our economy and is on the rise in Canada. However, without the right supports and services, immigrants cannot quickly and effectively maximize their skills and education. The initial reception of an immigrant plays an important role in whether integration will be successful or not. Municipal governments are where immigrants go first for help, but they do not have the necessary resources to effectively settle and integrate immigrants.

Even though immigrant settlement funding to Peel has generally improved since 2005/2006, there has been a sharp decline in funding for the 2009/2010, while immigration and the need for settlement services continue to grow. Systemic changes recommended by PNSG, if implemented, will improve both the efficiency and effectiveness of settlement and integration services. However, this development has the potential to significantly affect the Region's ability to provide the services to effectively integrate the new members of the Peel community. This may also result in additional demand to the Region's social support programs.

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Staff will continue to monitor this situation and work with the Peel Newcomer Strategy Group in assessing the overall impact of funding cuts and the successful integration of newcomers.



Janet Menard
Commissioner of Human Services

Approved for Submission:



D. Szwarc, Chief Administrative Officer

For further information regarding this report, please contact Gurpreet Malhotra at extension 4862 or via email at gurpreet.malhotra@peelregion.ca

Authored By: Junior Higgins

c. Legislative Services

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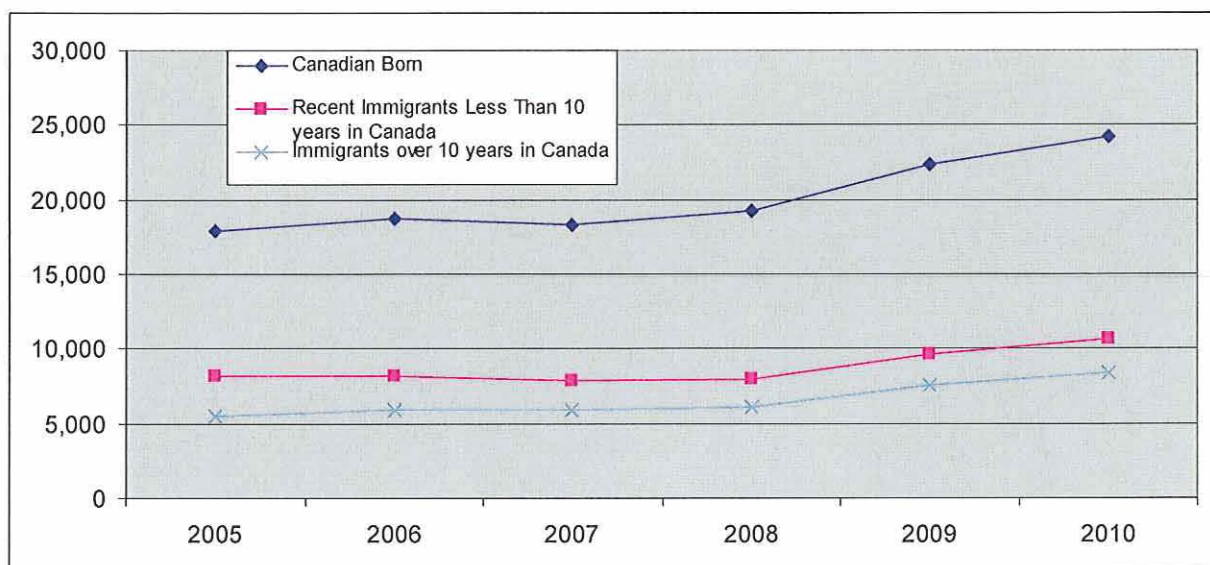
APPENDIX I

Table 1: Payments to Canadian born, Recent Immigrants and Immigrants over 10 years in Canada \$millions for the years 2005-2010

¹

Year	All OW payments	Canadian Born	Immigrants over 10 years in Canada	Recent Immigrants
2005	\$71	\$32	\$16	\$23
2006	\$91	\$38	\$22	\$31
2007	\$91	\$37	\$23	\$31
2008	\$98	\$41	\$25	\$32
2009	\$126	\$53	\$32	\$41
2010	\$143	\$58	\$37	\$48

Graph 1: Number of Canadian born, Recent Immigrants and Immigrants over 10 years in Canada receiving OW



¹ The numbers in the above table were calculated on an average cost of case basis