Canada’s Immigration Policy: The Need for Major Reform

Martin Collacott

Contents

Foreword by Michael Walker ........................................ 3
Executive Summary .............................................. 5
Introduction .................................................... 6
The Economic Benefits of Immigration ...................... 6
Family Reunification ............................................ 19
Inadequate Resources for Program Delivery .............. 26
The Social Impacts of Immigration Policy .............. 27
Why Is It So Difficult to Make Reforms to Canadian Immigration Policy? .... 35
Specific Recommendations ................................ 41
Final Comments ................................................ 42
Notes ........................................................ 43
References ...................................................... 47
About the Author ................................................ 51
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I n 1992, The Fraser Institute published a volume of papers entitled *The Immigration Dilemma*. In the book authors addressed key questions about this important national issue: Will immigration lead to declining living standards? huge drains on the public purse? overcrowding and racial unrest? Or will immigration be the salvation of the country’s social security system? Will it inject new vigour and life into the economy? Are the social tensions created by immigration highly exaggerated?

The research at the Institute’s disposal at that time led it to favour retaining liberal immigration policies. This research found that immigrants were more industrious than the average member of the population, that they were less likely to pose a threat to public security, and that they generally were net contributors to government budgets. In particular, immigrants were less likely to use social security programs, such as unemployment insurance and welfare than was the general population. *The Immigration Dilemma*’s conclusion was this:

The contributions in this book indicate that extreme positions on either side of the debate are unsupportable. On balance, immigration has made modest positive contributions to the economy, while social tensions created by immigration have also been relatively modest.

While the evidence available in 1992 suggested some enthusiasm for more immigration, it also raised some cautionary flags which were noted on the volume’s back cover. It is worth repeating these warning signs:

However, the trend towards accepting more refugees and other immigrants selected for their non-economic attributes suggests that future economic benefits will be smaller than in the past. Moreover, problems with integrating new Canadians will be greater given that they are less proficient in the official languages than earlier generations of immigrants and also possess more limited job skills.

In the last decade, more information about the activities of immigrants has come to light. This newer research is summarized in this document by Martin Collacott. Unfortunately, much of it shows that the concerns raised by the authors of the previous book were more than justified. The evidence suggests that new immigrants who are admitted under the current provisions of Canada’s immigration and refugee policy are not performing as well as have past immigrants.

The overall economic performance of immigrants has declined irrespective of whether they have come in under the “skilled immigrant” provisions or under the “family class” provisions of the Immigration Act. Poverty is a much more prevalent attribute of recent immigrants than it was among immigrants in the past, and recent immigrants are much less likely to achieve the levels of earned income of either their predecessors or the native-born population. Martin Collacott also finds that social stresses and “ghettoization” associated with the inability to speak either of the official languages is a serious problem, as are criminal activities in some communities.

While this paper confirms the concerns that were raised as possibilities in *The Immigration Dilemma*, it also raises other issues that were not canvassed in the earlier research. Some of these issues are in the nature of new insights based on more recent evidence; others are in the nature of identifying research that needs to be done to address questions that are emerging. Collectively, the facts and
opinions based on careful assessment contained in this paper suggest that it is time to rethink immigration policy in Canada.

Martin Collacott recommends that this rethinking ought to distinguish between immigration that is sponsored on the basis of Canada’s economic and social self-interest, and that which is sponsored out of a humanitarian concern. This paper provides a good basis for informing judgments about what those levels should be.

The Fraser Institute has been delighted to support the work of Senior Fellow Martin Collacott and to have his work distributed to a wider audience. However, since he has worked independently, the views he expresses are his own and do not necessarily reflect the views of the Trustees or the members of The Fraser Institute.

— Michael Walker,
Executive Director, The Fraser Institute
Executive summary

The federal government justifies large-scale immigration on the basis that it is essential to economic growth as well as to offset the aging of the population and the increasing proportion of retired persons to workers. These rationales, however, are not based on facts. The government’s own research indicates that immigration and population increases play a minor role at best in economic growth. It is equally clear that only overwhelming levels of immigration would have any significant effect on reducing the aging of the population and avoiding higher dependency ratios and that there are much more practical ways of dealing with these issues than through immigration. Similarly, the government’s claim that we require immigration in order to cope with an anticipated shortage of skilled workers is of questionable validity.

While Ottawa has not released any figures on the overall cost of immigration to the Canadian taxpayer, it is likely that they are high, particularly during the past two decades when the overall economic performance of newcomers has fallen significantly below that of both earlier immigrants and people born in Canada. A major reason for this decline has been the priority given to family class immigrants, none of whom is required to bring with them either marketable skills or a knowledge of one of our official languages.

The government’s principal reason for promoting high immigration levels is the belief that most newcomers will vote for the Liberal Party in federal elections. This is particularly true of family class immigration, which is the least successful category in terms of economic performance and should be significantly curtailed.

In addition to the lack of economic and demographic justification for current immigration levels and priorities, there are indications of social problems arising from the difficulties many immigrants encounter in adapting to the Canadian workforce and society. The important progress Canada has made in becoming a more tolerant and welcoming country to people from all over the world will be placed at risk if we fail to bring immigration levels and priorities in line with our economic and demographic needs and absorptive capacity.

To achieve this, it will be necessary to raise public consciousness of immigration issues through informed debate and discussion. Only when Canadians are aware of the extent to which current immigration policies fail to serve the interests of the country and are prepared to demand that the government make fundamental reforms are we likely to see a significant improvement in the situation.
Immigration policies are having a major impact on Canadian society and are likely to have an even greater impact in the future. Despite this, in the absence of informed and sustained public debate on the issues involved, the Canadian public often has only a vague notion of where these policies are leading us. Discussion of the subject tends to be discouraged since it might well raise questions whose answers conflict with the interests of those who are most influential in designing current policies and objectives. In the circumstances, many of these policies and objectives have become increasingly divorced from the best interests of the people of Canada and the country as a whole. Four years ago, the government-commissioned Immigration Legislative Review noted the difficulty of engaging in rational debate on the immigration issues when it observed that “One of the flaws in Canadian politics—and on this we greatly differ from our southern neighbours—is the difficulty in dealing with subjects such as immigration, as if to raise the issue itself were tantamount to questioning its benefits, the place of immigrants, or the value of a certain category of immigrants. This kind of unspoken censorship has been a chronic problem for journalists and politicians” (Immigration Legislative Review, p. 4).

The lack of such a policy is symptomatic of the fact that immigration policy has become increasingly disengaged from any rational or systematic consideration of what is beneficial to Canada. The existence of clear goals in this regard might well inhibit the formulation of objectives designed to serve special interests. In the final years of Trudeau’s tenure as prime minister, immigration levels fell to below 100,000 per year in recognition of the fact that the Canadian economy was not able to absorb larger numbers. Ten years later in the early 1990s, when unemployment was high, absorptive capacity was no longer considered to be a priority, and the Progressive Conservative government raised immigration levels to over 200,000 a year.1

The Economic Benefits of Immigration

The most comprehensive examination of the relationship between immigration and economic benefit was that released by the Economic Council of Canada (ECC) in 1991. In analysing the relationship between immigration and economic growth in Canada in the course of the last century, the researchers of Economic and Social Impacts of Immigration found that the fastest growth in real per capita income occurred at times when net migration was zero or even negative. The only period when significant economic growth coincided with major immigration was in the post World War II era, and even in this case, they concluded that it was economic expansion that spurred immigration rather than the other way around (Economic and Social Impacts, p. 29). Reviewing the
situation further afield, the demographic review released by the federal Department of Health and Welfare two years earlier found that there was no correlation whatsoever between population growth and economic growth in the 22 member countries of the OECD (Charting Canada’s Future, p. 9).

In their discussion of the economic efficiency of immigration, the ECC researchers quoted from a background paper prepared for the 1985 Macdonald commission, which stated that, according to their own examination of the subject, “The broad consensus... is that high levels of immigration will increase aggregate variables such as labour force, investment and real gross income, but cause... real income and real wages to decline” (Economic and Social Impacts, p. 21). In other words, while aggregate GDP expands, per capita GDP remains stagnant or even falls.

The ECC itself was not quite as negative as the Macdonald commission when it concluded inter alia that a) if immigrants earn more than average, this raises the combined average income of hosts and immigrants, but nothing is added to the income of hosts, b) immigrants who bring in human capital in the form of education obtained abroad gain economically from their education, but the balance of the evidence suggests that no benefits accrue to existing residents and c) immigrants who bring in monetary capital retain the title to the earnings of their capital, and existing residents are quite unlikely to benefit. There is little reason to believe that such capital is incremental or that it is needed for employment creation (Economic and Social Impacts, p. 131).

It is also possible that there is a positive economic benefit for Canadians from immigration because of the greater economies of scale it creates. But the gains from this are very small according to the ECC researchers: just over three tenths of one percent in economic growth for every million new immigrants. Even at that, the report notes that the calculation does not net out the costs associated with bringing the immigrants to Canada, such as those of the federal and provincial departments involved, language training, and welfare benefits given to immigrants on arrival (Economic and Social Impacts, pp. 25, 26).

This should come as no surprise. Throughout much of the twentieth century, when Canada’s economy was based largely on its domestic market, it made sense to try to increase the population as much as possible in order to benefit from economies of scale. As our economy became more involved in foreign trade through globalization and specific agreements such as NAFTA, the size of our domestic market, and therefore our population size, had less and less relevance to the well-being of the country. Indeed, if the size of population were a major determinant in the economic success of countries, Singapore and Switzerland would be basket cases while China and India would be among the wealthiest.

The fact that population growth should not be assumed to lead to economic well-being was also underlined in a report released in 1998 by the Organization for Economic Development (OECD) in which it warned of the possibility of a major decline in the Canadian standard of living—possibly to as much as 25 percent below the average of OECD countries—“because its population was growing faster than that of other leading nations and Canada has to run faster just to keep its place as an above average performer” (Little, 1998). A principal reason for this rapid population growth is that we have the highest immigration rates per capita in the world.²

All of this is not to suggest that some sectors of the economy do not benefit from immigration. One of the leading experts on the economics of immigration in the United States, George Borjas of Harvard University, concluded that, while
immigration resulted in little economic benefit to the existing population of the United States, it brought about a transfer of US $152 billion from the pockets of workers to those of employers by creating a larger labour pool that resulted in lower wages and increased profits (Borjas, 1999, p. 91). The impact on relatively unskilled labour was most marked. A study by three Harvard economists estimated that, of the 27 percent drop in wages (in constant 1995 dollars) experienced by high school dropouts in the United States from 1979 to 1995, between 44 and 60 percent of this decline was attributable to immigration and particularly the arrival of large numbers of unskilled immigrants (Cassidy, 1997, p. 41). These results are undoubtedly relevant to Canada, which has a per capita immigration rate twice that of the United States as well as a higher dropout rate.

While no similar calculation has been made for Canada, the available evidence suggests that the impact of immigration on workers in this country has been significant in some areas. Research has shown, for example, that in the mid-1990s workers in 47 major Canadian industries were losing jobs or suffering wage compression from immigration (DeVoretz, 1996).

Those probably most seriously affected in this regard are recent immigrants. While there is not a great deal of data on this subject, one non-Canadian study found that a 10 percent rise in the number of immigrants depressed the wages of earlier immigrants by 4 percent (The Economist, June 29, 2002, p. 54). If this figure is correct (and some reports suggest the impact is even greater), the increase in Canadian immigration levels by over 40 percent between 1999 and 2001 may well have had a major effect on depressing the wages and limiting the employment opportunities of newcomers in this period.

Having said this, it must also be acknowledged lower wages leading to larger profits can at times create the means and incentive for further investment leading to economic growth and higher living standards. This may have been the case to some extent in the 1950s and ’60s, when most jobs could be filled by low-skilled workers. Such is much less the case today, however, and the wage suppression going on in some of the least dynamic parts of our economy, caused in large measure by immigration, may well be diverting investment away from the more promising sectors.

Even in sectors where immigration may lead to capital formation and economic development as the result of wage suppression, there may be negative consequences. It could, for example, be a contributing factor to the Canada’s current brain drain. Only a small percentage of immigrants to the United States are, for example, engineers (in 2000, for example there were only 7,325, or less than one percent of the total). In contrast, over 15,000 immigrants declared engineering as their intended occupation in Canada in the same year, i.e., about 6.6 percent of all our landed immigrants. The number entering Canada in 2000 was, in the event, 50 percent higher than the number of engineering degrees granted by Canadian universities, with foreign-born engineers now comprising almost half of those holding engineering degrees in Canada (Couton, 2002, pp. 6, 7).

This massive influx into Canada has almost certainly been a major contributing factor in the failure of Canadian salaries in the engineering field to keep pace with those in the US in the past decade. It is also probably a major reason why many of our best engineering graduates accept employment offers from American companies rather than stay in Canada. By taking in such large numbers of engineers as immigrants, Canada is, therefore, helping to create an on-going brain drain
which will require continued substitution of Canadian-born by immigrant engineers.

Don DeVoretz raised these issues in a paper on the brain drain published in Policy Options in 1999. In it, he asks whether the influx of highly skilled immigrants from the rest of the world accelerates the outflow of Canadian workers by keeping wages low. He notes that, while this outflow is more than equalled by the number of skilled immigrants arriving, the latter are not as productive as the Canadian-educated who left. The resettlement of the newcomers in Canada, moreover, is costly. His estimate for the 50,578 replacement immigrants who arrived circa 1989-96 in terms of productivity loss, settlement, and educational replacement loss is $11.8 billion.

In his paper, DeVoretz also raises the question as to whether the fraction of these resettlement costs absorbed by the Canadian taxpayer would be better spent to entice Canadian professionals back from the United States. Although the answer to this may seem obvious, it is unlikely the government will take such a course of action as long as it thinks it can strengthen its support from special interest groups by continuing to get taxpayers to fund the resettlement of immigrants who will replace Canadian workers.

Will immigration fill the anticipated shortage of skilled workers?

The possible economic benefits of having a larger population are by no means the only economic justifications advanced in support of large-scale immigration. In recent months, the possibility of filling an anticipated shortage of skilled workers in Canada through immigration has received a good deal of public attention.

A report released early last year by the Conference Board of Canada estimated that by 2020 the country’s economic development could be constrained by a shortage of as many as one million skilled workers. To begin with, the validity of such a prediction deserves careful scrutiny since the focus should not be on the shortages themselves, but rather on the factors that have caused the shortages to emerge, i.e., the impediments that are preventing the natural adjustment of the market in dealing with this problem. The existence of such impediments are, if fact, often attributable to governments themselves.

In any event, the government responded initially to this projection by proclaiming that changes would be necessary in our approach to education and training if we were to fill this gap. Not too long afterwards, however, the then minister of immigration, Elinor Caplan, entered the debate by arguing that immigration could solve the shortage. Her successor as minister, Denis Coderre, recently made his contribution to ratcheting up the sense of urgency by stating that he believed there would be a deficit of one million skilled workers in just 5 years—but provided no hint as to how he arrived at this dramatic conclusion. In contrast, a recently published study by the Canadian Council on Social Development and the Columbia Foundation argues that, if anything, there is probably a labour surplus in Canada at present because of youth unemployment, the unused stockpile of accumulated formal education, and the large number of workers forced into part-time rather than full-time employment (Schetagne, 2001, p. 19).

One question deserves careful examination: what sort of balance should be struck between meeting labour requirements through immigration on the one hand, and through better training and education for people already in the country on the other? It is instructive to see how this issue played out in the United States recently in a debate about with whether more foreign workers should be brought in to meet the needs of the high tech in-
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Canada's Immigration Policy

The availability of a large labour pool, which immigration has made possible, may well have functioned as a disincentive for employers to provide training for Canada’s labour force. The poor track record of Canadian industry in this regard was made clear in a recent address by Dr. Tim O’Neill, Executive Vice President of the Bank of Montreal, when he told the Vancouver Board of Trade that only 31 percent of Canadian employers are paying for training for their staff, compared to over 80 percent in Britain and 75 percent in Japan (O’Neill, 2002).

There are indications, however, that the attitude of Canadian employers with respect to providing training for their staff may be improving. A recent survey by the Canadian Labour and Business Centre, for example, reported that managers and labour leaders in both the public and private sectors say they need to upgrade their employees’ skills rather than look for replacements from overseas. They don’t, in fact, see immigrants as a solution to their labour problems (Viewpoints 2002).

As for the track record of immigration in filling specific labour shortages, the Economic Council of Canada found little evidence to support such policies when it concluded that cases where immigration had been successfully used to fill such gaps were rare, and that the advantages realized from bringing in foreign workers were likely to be extremely small when the losses in wages of Canadian workers were balanced against the gains of employers and consumers (Economic and Social Impacts, 1991, p. 31).

This does not preclude the possibility that a shortage in a particular field may become so dire that only immigration can solve it in the short term...
(the ECC report suggested that the dearth of university teachers in the 1960s and 1970s fell into that category). The same may be true for the shortage of doctors and nurses today. The analysis accompanying the recently published immigration regulations comes to much the same conclusion as did the Economic Council a decade ago in stating that occupational demand may change faster than governments can adapt and that there was, therefore, limited value in selecting immigrants on the basis of specific skills (*Canada Gazette Part II*, p. 227).5

Can immigration solve the problems associated with an aging population?

Linked to the question of the anticipated shortage of skilled workers are the economic implications of Canada’s aging population. The government has not been hesitant about playing the immigration card as a supposed solution to envisaged problems related to this aging. These include claims that immigration can be used keep the average age of the population from increasing and thereby avoid the problems of having fewer workers to support an increasing number of retired persons—loosely referred to as the “dependency ratio.”6 In fact, however, the government’s own research shows that immigration will not offset the aging of the population or the issues associated with an increasing dependency ratio, with current policies perhaps even being counterproductive in this respect.

To be sure, Canadians are indeed getting older as people are living longer and women are having fewer babies. According to a Statistics Canada projection last year, without any net immigration and with no change in the current fertility rate, our population will continue to grow for another dozen years and begin to fall below the current level in the late 2020s (Statistics Canada, 2001, p. 64). In the circumstances, unless we specifically want a larger population, we won’t require any net immigration for the next quarter of a century.7 It is also true that we will have to contend with an increasing number of retired persons in relation to those still working. Current projections are that by 2025 the number of retirees for every hundred workers will increase from the present 18 to 35.

There is, however, abundant evidence that only immigration at overwhelmingly high levels would have any significant effect on population aging. A 1989 report on demographics released by Health and Welfare Canada and based on 167 studies concluded, for example, that increased immigration would have a little or no impact on either the aging of the population (*Charting Canada’s Future*, p. 24) or the dependency ratio (*Charting Canada’s Future*, p. 26). The Economic Council study similarly declared two years later that the reduction of the tax burden of dependency through immigration was quite insignificant (*Economic and Social Impacts*, 1991, p. 51), while in 1997 Statistics Canada concluded from census data that “immigration cannot erase the dilemma of growing old, which the entire population must face” (Statistics Canada, 1997, p. 96).

A United Nations report (*Replacement Migration*) issued in March 2000 spelled out just how much immigration would be required to keep the age of the population and therefore the dependency ratio at current levels. While Canada was not one of the countries covered in the study, the United States (with an age profile relatively close to our own but slightly younger) was included and its projections were roughly similar to what we would have to expect here. In the case of the US, the United Nations found that it would have to raise its population to 1.1 billion by 2050 to maintain current dependency ratios. To achieve this, 73 percent of the people in the US in 2050 would be immigrants or offspring of those who arrived since 2000. And it would not stop there since, after a generation or two, most immigrants take on
the same aging and family-size characteristics as those of native-born North Americans and we would have to continue quadrupling our populations every 50 years to maintain current dependency ratios.

If immigration cannot solve the problems related to the increasing dependency ratio resulting from an aging population and a declining fertility rate, how are we going to cope with it? The UN report, the ECC study, and others suggest a variety of solutions, including expanded labour-force participation (particularly by women), increased economic productivity, delayed retirement, and adjustments to pension-plan contributions.

Other countries will face much more serious challenges in the years to come in terms of aging populations than Canada. Italy, Germany, and Japan, for example, have much older populations than Canada. Similarly, the people of Britain, France, and many other industrialized countries are considerably older (United Nations, *Population Ageing: 2002*). Yet Canada is alone in claiming that the problem of aging can be solved by immigration, and alone in using this issue to justify its immigration policies.

Allowing older people to postpone retirement has, in fact, been recommended by a number of Canadian organizations as one of the most obvious ways of dealing with the prospect of an increasing dependency ratio. A study released in August 2001 by the Canadian Council on Social Development and the Columbia Foundation noted that “we cannot avoid the aging of the active population but we can mitigate the phenomenon by keeping older workers in the labour market to avoid a labour shortage” (Schetagne, 2001, p. 28). The report went on to suggest that in the future, older workers will probably be more numerous, better educated, and there will be more women in their ranks than was the case in the past.

Earlier the same year, a study published by the Institute for Research on Public Policy went further, and suggested that the aging of the population will actually bring with it certain advantages; it will enhance the role of human capital, and be an advantage to the new economy which demands more brains and less brawn. The report’s author, Marcel Mérette, points out that analyses of the impacts of population aging in Canada typically emphasize the costs of aging while neglecting some important positive impacts. These include the following facts:

- the use of savings among elderly decline with reduced needs to finance physical capital,
- more educated cohorts remain in the workforce longer so that, in future years, workers will tend to retire at an older age than they do now, and also
- government revenues will be bolstered by taxable withdrawals from Registered Retirement Plans and other tax-deferred private pension plans precisely when upward pressure on public expenditures related to old age—particularly on health care and pension—are expected to be most acute (Mérette, 2002).

On the question of older people remaining longer in the workforce, it is worth noting that the United States recently raised its mandatory retirement age to 67 and is considering raising it to 70. In contrast, and perhaps out of concern that ways other than immigration might be found to address the issue of an aging population, Prime Minister Chrétien was quick to proclaim after the release of the census confirming that the population was aging, that the answer was not to be found in changing minimum eligible retirement ages, or encouraging families to have more children, but rather in simplifying immigration procedures and admitting people to the country more quickly (MacCharles, 2002).
Still other solutions have been identified for the dependency problem, among them predictions that the adjustments we have already made to pension plan contributions will be sufficient to deal with the dependency issue. CIBC economists Avery Shenfield and Loretta Nott report that Canada is in “splendid shape” in this regard. Because of our system of taxes and transfers, including the fact that we have already adjusted CPP premiums, Canada alone among the G8 will be able to pay the bills over the next 35 years as far as supporting an aging population is concerned (Little, 2000).9 Still others, such as Robert L. Brown, a professor of statistics and actuarial science at Waterloo University, have concluded that normal increases in productivity will offset the increasing dependency burden (Brown, 2001).

When Statistics Canada released census data in July of this year showing that the population was aging, the agency once again made it clear that immigration would do little to halt this trend noting that, “given Canada’s current age distribution, overall population aging is unavoidable… immigration has limited impact on population aging” (Statistics Canada, 2002, p. 5). The report went on to point out in this regard that, during the decade between 1981 and 1991, 1.4 million immigrants arrived in Canada. This level almost doubled to 2.2 million between 1991 and 2001. Yet the median age continued to increase—by nearly four years during both periods. With an assumed annual inflow of 225,000 immigrants, the median age is projected to increase by a further 3.4 years between 2001 and 2011. Projections envisaging twice as many immigrants, which are numbers far above any past level, still indicate an increase of 2.4 years in the median age.

Despite this clear evidence to the contrary, Prime Minister Chrétien once again ignored the facts and argued that we would have to increase immigration to deal with the looming retirement crisis (Carey, 2002). He also used the occasion to claim that immigration was necessary to keep the economy growing and provide the taxpayers that will be needed to maintain the level of revenues that will help us to pay for our social programs (MacCharles, 2002).

Other advocates of high immigration levels, such as David Baxter, president of the Vancouver-based Urban Futures Institute, joined the Prime Minister in declaring a state of urgency on this issue by claiming that “we should be scared out of our minds” by the census results (Carey, 2002). In like manner and in response to the release of earlier census results that showed population growth had slowed, a Southam News national editorial on March 14, 2002 proclaimed that Canada needs more immigrants, not fewer, and that without more people, we can’t sustain our well-being, let alone do better (National Post).

In contrast to the sounding of these alarms, calmer and better-informed voices, such as demographer David Foot of the University of Toronto, pointed out that Canada shouldn’t panic and raise its immigration levels because the problem of aging boomers is at least a decade away. Back in 1996, Foot and co-author Daniel Stoffman noted in their demographic bestseller, Boom, Bust and Echo, that as the number of Canadian-born people entering the labour market in the first decade of the twenty-first century would increase because of the echo generation (children of baby boomers), Canada would have to consider curtailing immigration. In their words “it does not make sense to bring in a flood of 20-year old im-
migrants to compete for scarce jobs just when large numbers of Canadian-born 20-year olds are entering the job market. Doing so would be unfair both to immigrants and to resident Canadians” (Foot with Stoffman, 1996, p. 205).

In commenting on the sense of crisis created with the release of the latest census figures, Foot observed that “It’s exactly the opposite... the baby boomers aren’t retiring for another five years and their kids are entering the labour market.” He predicted that “we’re going to have labour market surpluses before we get to the labour market shortages” and noted that we still have a jobless rate of 7 percent and that doesn’t sound like a labour shortage to me” (Beauchesne, 2002).

Another of Canada’s best known demographers, Roderic Beaujot of the University of Western Ontario, also counseled against the sense of urgency and even panic engendered by the Prime Minister and others when he pointed out that, even with a further decline in the birth rate and substantially reduced immigration levels, we can expect projected population growth through to 2029, and with natural increase alone (i.e., without immigration) we will still keep growing for more than a dozen years (Kerr and Beaujot, 2002).

Would it be better if more immigrants went to areas where the population is declining rather than to large cities?

In May 2001, the Canadian government released a report entitled Towards a Balanced Geographical Distribution of Immigrants, which acknowledged, in effect, that the situation was far from ideal with regard to current settlement patterns of immigrants. They go overwhelmingly to large cities, with three-quarters settling in Toronto, Vancouver and Montreal alone. Would it not make far better sense to encourage them to go to regions of the country with declining populations, such as the Maritimes and Prairies?

Recognition by the government of the fact that large metropolitan centres are becoming overcrowded has been slow in coming. There are those who for various reasons support the idea that our larger cities should continue to grow. Some, such as the real estate industry, have a vested interest in seeing this happen. Others point to the various advantages of large concentrations of population and contend that modern technology should be able to deal with the problems arising from increasing size. By the same token, a good deal of concern has been voiced by many residents of metropolitan areas over levels of pollution, traffic congestion, and pressures on health and education systems. Until the necessary technology and resources are in place, further growth is more than likely to have adverse consequences for most of the population. Most of this growth is taking place because of immigration and is accompanied by increasing concentrations of newcomers. In the circumstances, it is not surprising that the government report acknowledges that resistance to immigrants has increased in the large metropolitan areas because of the large numbers living there (Towards a Balanced Geographical Distribution of Immigrants, p. iii).

As for parts of the country where the population is declining—or about to decline—a good deal can be said for encouraging immigrants to settle in such regions. The government faces the challenge that, if it cannot find incentives and opportunities to keep and attract Canadians to these areas, neither will newcomers want to go there.

The government might, in the circumstances, simply make it a condition of coming to Canada that newcomers settle in such parts of the country and hope that, once there, they generate new economic activity. Apart from questions about
whether this approach would have a reasonable chance of succeeding, serious doubts have already been made about whether it would be possible to enforce such a requirement in the case of those who decided to move to large urban centres soon after their arrival.

If the government can demonstrate that it has workable solutions to this problem, sending immigrants to the Maritimes and Prairies would make more sense than simply adding more people to already overcrowded metropolitan areas. As things now stand, however, the government’s approach to locating immigrants in areas where they might make a more positive contribution to the Canadian economy seems to be the reverse of the famous line “build it and they will come” from the movie, Field of Dreams. Ottawa’s policy appears rather to be one of “bring them in first, and then try to find a place where they are needed.”

The government’s plans to have immigrants settle outside large metropolitan areas are, furthermore, undermined by its very policy of giving first priority on the immigration ladder to the family-class category (of which more below), which, as the report on the balanced distribution of immigrants itself admits, is “not a good candidate for spearheading dispersal since family members generally come to join those who came before” (Towards a Balanced Geographical Distribution of Immigrants, p. 57).

**Other arguments for having a larger population**

A number of other arguments have been advanced for having a larger population, including in an article by John McCallum (the current Minister of National Defence) suggesting that, with a population of 100 million, we would have more heft and clout, particularly with respect to managing our relations with our enormous neighbour to the south (McCallum, 2001). It has also been suggested that raising our population to such a level would improve our prospects of reaching a sufficiently large critical mass to ensure the survival and development of our cultural institutions (Saunders, 2001). The latter argument is related to some extent to Julian Simon’s contention that a larger population is more likely to produce the creativity and genius of a Mozart or Einstein as well as technological advances that will make it easier to sustain population growth without putting added strain on the environment and infrastructure.

Most Canadians, including myself, would clearly welcome such benefits. The issue, however, is whether striving for a population this size is a good idea before we have the conditions in place to ensure that the benefits will be greater than the costs. In particular, until we have worked out the means of getting most newcomers to settle outside large metropolitan areas, we would have to assume that they would continue with current settlement patterns. This means that, with an increase in population to 100 million, Toronto would have to absorb another 34 million people, and Vancouver more than 10 million.

**Diminishing returns**

When the Economic Council of Canada released its report in 1991, it concluded that there was little or no economic benefit to the country from immigration. Evidence collected since then suggests that there has been a significant downturn in the economic fortunes of recent immigrants, results that, had they been available earlier, might well have caused the Council to arrive at rather more negative conclusions.

Studies released in 1995 showed that immigrants who arrived before 1980 earned slightly more than those born in Canada. In contrast, by 1995,
the wages of those who came after 1980 reached a level of only 60 percent of people born in Canada and 58 percent of earlier immigrants. Research results from the University of Toronto in 2000 also confirmed a widening gap of major proportions between the earnings of recent newcomers and people born here (Reitz, 2000, p. 30). It appears that this decline is being driven by two major factors: a larger proportion of total immigration is now comprised of individuals who were not expected to be productive (primarily family class) and an increase in the problems faced by skilled workers.

As for poverty levels, a report published by the Canadian Council on Social Development in April 2000 documented the increasing poverty experienced by recent immigrants in metropolitan areas, where over 90 percent of newcomers now settle. Whereas the poverty level of those who arrived before 1986 was 19.7 percent, or slightly lower than that of Canadian-born, the poverty level of those who came after 1991 has reached a disturbing 52.1 percent, while that of those born in Canada has remained relatively unchanged at around 20 percent. While noting that most newcomers are able to improve their situation over time, the report warned with regard to the more recent arrivals that they were having greater difficulty in the labour market than did previous immigrants, and their income may never reach the Canadian average (Lee, 2000, pp. 32, 35).

Similar statistics have been reported by other sources. A recent United Way survey on poverty in Toronto suggests that one of the reasons for greater poverty in that city is immigration when it states: “Almost one-half of the population of Toronto was born outside of Canada, and one-third of all recent newcomers make Toronto their home. In 1996, over half of recent newcomers were living in poverty, as were 41 percent of racialized minorities” (Goldstein, 2002). Other reports concur with this downward trend. In British Columbia, a report found that, while poverty levels among Canadian-born in the province remained at around 12 percent, poverty among recently arrived immigrants rose from 11 percent for those who arrived before 1976 to 51 percent among those who came between 1991 and 1996. The report also states that unemployment rates for those who arrived in the latter period were double those of Canadian-born (Martin Spigelman Research Associates, 2002).

**The costs of the immigration program to taxpayers**

Just how much the current immigration program is costing the Canadian taxpayer is not easy to determine. John Manion, a former Deputy Minister of Immigration and Secretary of the Treasury Board estimated that the direct annual cost to taxpayers for immigration and refugee programs is in the neighbourhood of $2 to $4 billion a year (Testimony before the Senate Standing Committee on Social Affairs, Science and Technology, October 3, 2001). Clearly, the federal authorities have no inclination whatsoever to produce a comprehensive figure since, to do so, would almost certainly undermine their claims that immigration benefits the Canadian economy (a claim that may have had some limited validity prior to 1980 but which is now almost certainly without foundation in light of the significant decline in the economic performance of immigrants who arrived after 1980).

A further reason for the federal government’s reluctance to acknowledge just how much immigration costs the public is very likely because much of the expense has to be borne by provincial and municipal governments even though policies are designed with the political interests of the federal government in mind. In the case of refugee costs, the rather unlikely combination of the NDP government in British Columbia, the Mike Harris
Conservatives in Ontario, and the Bloc Quebecois in Quebec joined together two years ago to demand that Ottawa sort out the refugee process and assume the costs of social assistance and other services for the claimants. The then minister of immigration, Elinor Caplan, responded by asserting that no more money was available in federal coffers to deal with refugee matters and told the three provinces to “get serious” (Cox and Duffy, 2000).

Similar rebuffs were administered to Mayors Lastman of Toronto and McCallion of Mississauga when they raised the issue of costs (Gillis and Benzie, 1999; see also Francis, 2001). A recent development of a more positive nature in this regard is that the present minister of immigration, Denis Coderre, appears more disposed than his predecessors to have a serious discussion with the provinces and is scheduled to begin the process later this year.

What is clear from all of this is that the federal government has avoided being held accountable for the costs of the immigration program and shows no sign of assuming responsibility for this. This point was not missed by the authors of the Immigration Legislative Review when they stated that “we firmly believe that the government must account for the way the objectives of the immigration programs are being met” (p. 4). Accountability should include not only informing the public about the full nature of the costs, but actually paying for these costs rather than leaving them for provincial and municipal governments to cope with.  

This will involve keeping track of the whereabouts of newcomers, at least during the first years after their arrival, in order to monitor what costs are being incurred on the public purse by their presence in Canada.

While this suggestion may offend some civil libertarians, it should not do so since it is a usual requirement in other free and democratic societies, to use the sentiments in the Canadian constitution. For example, Australian private citizens who wish to sponsor immigrants for family reunification (their parents, for example), are responsible for the costs which they might otherwise impose on the broader society. These sponsors are required to track the whereabouts of those they sponsor and pay their costs. In Canada, the federal government is the “sponsor” of the immigration program and should bear responsibility for its cost and other implications—including the necessity to track where the immigrants are at any given time. These observations apply with particular force to the refugees who are permitted entry.

There is one final comment to be made on the costs of immigration, whatever they may be in total. As indicated elsewhere in this paper, some parts of the private sector tend to support high immigration levels because doing so creates a larger labour pool, lowers wages, and acts as a stimulus to the economy by producing larger profits. This may be obvious in terms of the direct benefit it provides to producers as well as, to some extent, to consumers. However, the calculation of the total benefit or loss to the economy should also include the various associated costs, such as English language training, welfare, etc., before assessing whether there has been a net gain from immigration. Although the producers may, indeed, enjoy some direct benefits, the high taxes required to pay for these costs may well act as a deterrent to investment. While the costs of immigration constitute a relatively small part of total government expenditures, this point should be borne in mind by those who advocate high immigration levels as a means of stimulating the economy.

Turning to specific reasons for the marked decline in the economic performance of recent immigrants, we will look both as the problems encountered by more qualified newcomers as
well as the impact of the arrival of large numbers of sponsored relatives.

Challenges for immigrants with higher qualifications

The downturn in the economic fortunes of recent immigrants is due to more than one single cause. At the upper end of the scale, the more educated immigrants are arriving with better credentials than in the past, but their competitiveness in the market place has declined because the education levels of people born in Canada have advanced at an even faster pace. An analysis of this problem is provided in Reitz’s University of Toronto study (Reitz, 2000). It found that the economic prospects of new arrivals had also been eroded because their educational credentials from overseas were given relatively less weight by Canadian employers than in the past, a situation exacerbated by the marked shift towards a knowledge economy in this country. While some analysts have ascribed these difficulties to prejudice against visible minorities on the part of Canadian employers, the study showed that, over time, the steadiest economic decline was observed for recent arrivals in the white immigrant group.

The study also noted that such trends are part of the basic institutional structure of Canadian society and are not going to change. The author offered the view that the “downward trends in immigrant employment and earnings are large and represent a serious problem, getting worse. Lower immigrant earnings inevitably translate into higher levels of poverty. They hamper settlement efforts and put pressure on social expenditures. The economic contribution of immigrants, both as consumer and as taxpayer, is reduced, Given that immigrants tend to settle in large urban areas such as Toronto and Vancouver, the impact is particularly acute in these areas” (Reitz, 2000, p. 11).

What does seem clear at the present time is that we are bringing in large numbers of skilled immigrants who cannot find suitable employment. There are several reasons for this, including those identified in the University of Toronto study, as well as a lack of a working knowledge of English or French, or familiarity with Canadian culture. Unlike the situation in the United States, where many skilled workers are allowed in on temporary working visas and leave if they are unable to continue their employment, immigrants to Canada are entitled to stay here and claim welfare if they cannot find jobs. This is clearly an unsatisfactory situation both for the immigrants and for Canada.

To be fair to immigration applicants, we should be providing them a more accurate picture of their prospects for finding suitable work in Canada in relation to their qualifications—including whether or not they are competent in one of our official languages. Unfortunately the government’s determination to increase the number of immigrants (even if there is no obvious employment available for them), and the enthusiasm of immigration consultants and lawyers for encouraging eager applicants to avail themselves of their services, has resulted in large numbers of people coming here who are disappointed by what they find and incur considerable expense to the Canadian taxpayer as well. In addition to providing better information to prospective immigrants, more research should be undertaken into the extent to which immigrants in the skilled worker category are successful in finding employment and, if not, why not.
Family Reunification

Family class immigration may gain votes but does not help the country

While the increasing difficulties faced in recent years by the more qualified newcomers has had an effect on the overall economic performance of immigrants, the high priority given to family class sponsorships would appear to have had the most negative impact.

Before commenting in detail on the problems of family-class immigration, it should be emphasized that there is nothing wrong in principle with wanting to bring in one’s extended family so that they may benefit from the economic opportunities available in Canada. Canadians value the strong family ties that motivate such a desire. The fact is, however, that immigration policy is supposed to be based on economic benefit to Canada. In contrast, sponsored family members, who are not required to have either job or language skills, constitute a net liability on average. No one questions the right of a skilled worker to bring his or her spouse and dependent children to Canada, but if extended family members also wish to come, they should be required to qualify on their own merits.

In the late 1960s and early 1970s, when Canada began basing its policies on the skills people brought with them rather than what part of the world they came from, the overall economic performance of immigrants was still quite good. After the arrival of the initial wave of well-qualified newcomers from developing countries, however, pressure began building to facilitate the entry of extended family members.

This had been less of a problem with earlier immigrants, when most came from countries where standards of living and employment opportunities were not dramatically different from those in Canada, and where relatives who stayed behind more often than not had the benefit of social welfare systems, pension plans, etc. During that period there was less demand to bring in extended family members, or even parents, who were relatively comfortably settled in the old country and content to remain there for the rest of their days.

This proved to be much less the case with people who immigrated during the last three decades. Increasingly, they came from developing countries, which very often offered limited economic opportunities and had little social welfare support. The pressure then began building in earnest to make it easier to bring in extended family members as sponsored relatives rather than requiring them to qualify as skilled independents.

By the time new comprehensive immigration legislation was drafted in the late 1970s, the priority had shifted from skilled independents to the sponsorship of family members, who were not required to bring with them either job skills or competency in either of the official languages. As early as 1982 the Auditor General of Canada began expressing concern over the impact of this change. In his report of that year, he stated that members of the family class, who by then were accounting for a significant proportion of new immigrants, were not well prepared to participate in the Canadian labour market, that they often belonged to occupational groups whose skills are in low demand in Canada, and to age groups where the rate of unemployment is high. He added that recent studies had raised questions about the ability of a significant proportion of the
members of the family class to adapt to life in Canada and that this could have repercussions on social programs and on the labour market (Report of the Auditor General, 1982, section 7.39).

Despite these concerns registered 20 years ago and repeated many times by other individuals and organizations in the interim, very little has changed as successive governments have continued to give priority to family members rather than the skilled independents who stand a better chance of contributing to the economy and adapting to Canadian society. As recently as June 2002, the House of Commons Standing Committee on Citizenship and Immigration recommended that the skilled worker category be moved up from fourth to second priority (Competing for Immigrants)—but still behind family class, which would continue to receive first consideration.

One must ask why, in the circumstances, the government chooses to give first priority to a category the members of which are clearly going to contribute less to Canada than skilled workers. The answer is quite simply that persons in Canada wishing to bring in members of their extended families are inclined to support the political party prepared to make this as easy and fast as possible. There are no such sponsors, and therefore no similar political constituency for skilled immigrants, who apply on their own as independents. Even so, it is widely assumed that at least some political benefit can be derived from bringing in the latter as well, since the federal Liberal Party has been successful at posing as the party most supportive of immigrants in general. As such, the Liberals assume, with some justification, that most newcomers, whether sponsored family members or independents, will vote for it in the next election. Further background on how political support can be mobilized to promote family class immigration can be found later in this paper (see analysis in Akbar, 1996).

In the face of this situation, and in order to appear to be serving the best interests of the country, the government has tried to create the impression that attracting well-qualified immigrants is its top concern, while in fact retaining family class is the first priority and, indeed, it is expanding the provisions for sponsorship. Citizenship and Immigration’s annual statistics are now presented in a manner that might lead many to conclude that the number of skilled independents is considerably higher than is actually the case. Until 1998, these government reports indicated precisely what percentage of the total number of immigrants were admitted on their own merits. They could be found in the “Skilled Worker—Principal Applicant” column, which in that year comprised 20.6 percent of the total (Facts and Figures, 1998, p. 4). From 1999 on, however, this cohort was combined with the spouses and children of these applicants under a heading simply identified as “Skilled Worker,” and which in 1999 was 48.68 percent (Facts and Figures, 1998, p. 4). To the unwary reader, the proportion of immigrants selected solely on the basis of their qualifications had grown very substantially, when in fact it rose by only one percent of the total (to 21.8 percent).

To try to create an even more positive impression, the government has added a number of smaller categories to form a large group of what it describes as “economic” immigrants, a term presumably intended to convey the impression that they are selected on the basis that they will benefit Canada economically. According to the government, 60 percent of all immigrants are “economic.” Apart from skilled workers, their spouses, and dependent children, most of the remaining members of the economic category are, in fact, business immigrants—investors and entrepreneurs—a category that has been seriously challenged by various studies and audits that have questioned whether they really bring the economic benefits to Canada that the government claims, or whether they are, in fact, primarily of
benefit to the immigration lawyers, consultants, and investment firms that help arrange their immigration to Canada.¹⁶

As for family class immigrants, their track record has not been encouraging. Their weak performance was documented in a 1995 report to the House of Commons Standing Committee on Citizenship and Immigration which showed that, while independent immigrants who arrived in 1985 earned $45,000 a year, family class members who arrived at the same time earned only $14,000 a year (Campbell, 2000, pp. 55, 56). A study released by the Department of Citizenship and Immigration in 1998 confirmed that immigrants in the family reunification (i.e., family class) category report low employment earnings, high rates of unemployment benefit and social assistance usage, and low percentages of tax filers reporting employment earnings. They were, in fact, the only category of immigrants whose use of social assistance rises as their period of residence in Canada increases (Department of Citizenship and Immigration, 1998b, pp.19, 17).

It should be mentioned that from the mid-1990s to the present, some effort has been made to increase the percentage of skilled workers (which had fallen from 32 percent in the early 1970s to 13 percent in 1994, and brought back up to 23.5 percent in 2001) and lower the percentage of family class (which had been reduced from more than 40 percent in 1994 to just over 27 percent in 2001). While this trend away from the family class and towards skilled workers coincided with a modest improvement in the earnings of immigrants,¹⁷ their overall economic performance has remained significantly below that of pre-1980 arrivals, as well as that of Canadian-born.

Government plans to increase family class immigration

Since it is reasonable to assume that this recent increase in immigrant earnings resulted primarily from the shift away from family class to skilled independents, it is regrettable that the government has shown little interest in building further on this improvement. It has, in fact, expanded family class provisions in the act just passed. The new immigration legislation raises the age of dependent, unmarried children who can be sponsored from under 19 to under 22, lowers the age of those who can act as sponsors from 19 to 18, broadens the definition of spouses, reduces the length of their sponsors’ financial obligations from 10 to 3 years, and removes the previous admission bar on spouses and children likely to pose excessive demands on health or social services.

The government’s intentions in this regard were clearly outlined in articles that appeared in April 2000 in the Toronto Star, which reported on the introduction of the new legislation by the then immigration minister, Elinor Caplan. The Star opined on April 6 that the minister would “bow to intense political pressure by making it much easier for extended families to reunite in Canada,” and that because Toronto’s diverse minority groups were concerned that family reunification was given too low a priority, this move was the “politically smart thing to do” with an election not too far away (Travers, 2000).

Two days later on April 8, an article predicting that the federal government would dramatically expand family immigration quoted Mrs. Caplan as stating that “the foundation of this country was built by family class,” and she was “concerned that we have seen the percentage of the family class decline and I think our policies should be balanced.” The Star speculated that, if Caplan could reach her stated goal of raising the annual intake to 300,000, the number of family class im-
migrants could increase by 60,000 a year (Thompson, 2000).

The role of sponsored parents as the key link in bringing in extended family members

One of the clearest indications of just how much the government is prepared to oblige those who favour family class over independents has been the manner in which it has dealt with the sponsorship of parents. The key link in the ability of a single skilled immigrant to trigger the immigration to Canada of large numbers of unskilled relatives is the sponsorship of parents or the spouse’s parents. A landed immigrant or Canadian citizen can sponsor their parents of any age, and the latter can, in turn, bring with them their unmarried dependent children. The children can then marry, and their spouses can sponsor their parents, who can bring in their unmarried children, and so on.

While the provision for sponsoring parents makes sense in principle as a means of facilitating family reunion, it often abused. In some cases, the parents come to Canada only long enough to bring in their other children—thus launching the immigration chain—before returning home. The Auditor General described this in his 1982 report as the phenomenon of “courier parents.” According to the report, when parents obtain immigrant visas, dependent children under 21 are almost always granted immigrant visas as well. In addition, many dependents over the age of 21 are granted landing by Order in Council so that they can accompany the person who supports them to Canada. One major immigration office abroad estimated that approximately 50 percent of parents with children around 21 years of age return to their country of origin as soon as, or even before, their children settle in Canada. Thus, a procedure designed to reunite families actually has the opposite effect, with the parents becoming separated from even more of their children through the use of programs intended keep them together (Report of the Auditor General of Canada, 1982, section 7.45).

Nor are the costs to Canada for parents who remain here insignificant. The use of welfare by sponsored parents and grandparents rises rather than falls over time, and reaches rates close to four times that of the general population (Immigration Legislative Review, p. 46). The importance for immigration activists of preserving and strengthening this key link has been illustrated on a number of occasions. In 1978, lobbyists managed to have removed the requirement that sponsored parents be at least 60 years old (thus increasing the scope for bringing in parents young enough to still have dependent children) and, when the current legislation was tabled in 2000, they successfully applied pressure to have provision for sponsoring parents transferred from the regulations (where it could have been altered at the administrative level) to the act itself, where it is much more secure and cannot be changed without recourse to Parliament.

The availability of sponsoring parents as the link to bringing in extended family members has also significantly encouraged fraudulent applications. The 1982 Auditor General’s report noted that “engagements and marriages of convenience, even pregnancies of convenience, unverifiable or dubious family relationships and false or altered documents are some of the methods used…” (Report of the Auditor General of Canada, 1982, section 7.44). Nor has the situation improved in the interim. In August 2000, it was reported that a single makeshift temple in one of the main source countries of immigration to Canada had created documents for 50 alleged marriages in order to obtain landed immigrants status for the “spouses” (Mandal, 2000).

In contrast to what is happening in Canada, Australia, while sympathetic to the notion of reunit-
ing families, has addressed the question of the sponsoring parents in relation to what is also best for the country rather than what may gain a few more votes for the party in power. To begin with, the Australians consider that bringing in parents for the purpose of family reunification makes sense only if those parents already have as many of their children living lawfully and permanently in Australia as are living elsewhere. In addition, the Australians require that such parents must be at least 65 years old and that the sponsor post an “assurance of support bond” as well as a “non-refundable health services charge” (Campbell, 2000, p. 198). The effect of these different policies is made clear by the number of sponsorships of parents in the two countries in the last full reporting year for which statistics are available. With a population equivalent to more than 60 percent of ours, 560 parents were sponsored to Australia. In Canada’s case there were 21,276. (The Canadian figure also includes grandparents—presumably a relatively small percentage of the total—as well as dependents of parents. Even with these groups taken into account, however, it is likely that Canada accepts at least 10 to 15 times as many parents per capita as Australia.)

The arrival of so many parents has had a significant impact on our health care system, an outcome which is particularly ironic in relation to government claims that immigration can help shore up the social welfare net.

**Other arguments for bringing in unskilled immigrants**

Despite the lack of economic benefit to Canada of admitting large numbers of immigrants, many of whom lack qualifications that will help them enter the job market, the case is nevertheless raised from time to time that we should still be accepting such people. One of the contentions raised is that “my grandfather would not have been allowed to immigrate to Canada if the present high standards were in place when he came here.” Other arguments centre around somewhat more rational considerations, such as “Don’t we need unskilled immigrants to do the jobs Canadians won’t do?” and “Shouldn’t free movement of trade and investment be accompanied by the free movement of labour across international borders?”

**My grandfather would have been excluded under the present standards**

A frequently heard refrain from immigration activists is that too much attention is now given to the qualifications of immigrants and that, as long as someone is healthy, willing to work hard, and does not have a criminal or terrorist background, they should be allowed to come to Canada. Such qualifications were certainly what was required earlier in the century when we needed to populate large areas of the West and when most jobs were unskilled. This is not the case now, however. In today’s Canada, immigrants are far more likely to contribute to the economy and society if they are well qualified.

In earlier times, the situation was also very different with regard to the availability of welfare and social services. For the most part, newcomers to Canada had to survive on their own resources and, if they didn’t succeed in doing so, usually had to return to the lands from which they came. With the extensive social support systems we now have in place there is, in contrast, significantly more incentive for the unskilled to stay here even if they are not doing very well. It is more likely that many of today’s immigrants who choose not to remain here are among the better qualified—i.e., particularly those who are unable to find employment they consider commensurate with their qualifications, or who are discouraged by the relatively high rates of Canadian income tax. Those without qualifications will have much less inclination to return to countries with less
generous social welfare programs in the event they are unsuccessful in the job market here. In the words of George Borjas, a welfare state cannot afford the large-scale immigration of less-skilled persons (Borjas, 1993, p. 42). The situation is, therefore, very different from when grandfather arrived and, if he were accepted then but would not make the grade if he applied today, it is for good reason.

**Immigrants are prepared to do the jobs Canadians won’t do**

Another reason given for bringing in unskilled immigrants or those with limited skills is that we need them to do jobs Canadians won’t do. This raises a number of issues since, at first glance, there appears to be some truth to this contention. An example might be the live-in caregivers or nannies who come from the Caribbean or Philippines to put in long hours as domestics at relatively low rates of pay and who, in order to make the terms of such service more attractive, are permitted to apply for permanent residence status in Canada after two years. While such an arrangement is undoubtedly beneficial for the household that employs them, the wisdom of allowing people to come to and remain in Canada with skills that would not have qualified them as independent immigrants is questionable to say the least.

The government has not, to my knowledge, conducted any research into the downstream social costs of this program, although it is quite likely that the ultimate expense to the taxpayer considerably exceeds the benefits to employers and that, in the words of one American analyst, this may be case of “importing poverty.” If such overseas workers were not available, the employers would either have to do their own housekeeping, or pay sufficiently high wages to make it attractive for people already in the country to do it.

Also related to this issue is the question of whether it is right for us to try to preserve industries that can only survive if there is a constant supply of cheap labour from overseas. An example of this is textile production. Several years ago it became clear that in Canada this industry should be phased out since it relied heavily on unskilled labour. It made far more sense to produce material for clothing in developing countries where such labour was much less expensive.

Developing countries, moreover, are eager to keep such work in order to ensure that they can provide products for trade based on their plentiful supply of low-cost labour in return for the more sophisticated items we sold them. In fact, Canada has retained tariff and non-tariff barriers that have postponed rationalization of the industry. At the same time, in order to provide workers for the industry, we have, paradoxically, imported them from many of the same countries whose exports our trade policies thwart—policies that now protect the immigrant labourers from the competition of their former fellow countrymen. A particular irony is that all of this has been done in the name of protecting the jobs of Canadian workers.

One further consideration should be mentioned in connection with the questionable value of bringing in immigrants to do the work Canadians are reluctant to do at present wage levels. This is the point made earlier in this paper: while high immigration levels that include a significant component of people not required to have any skills may bring immediate benefits to some parts of the private sector in terms of a larger labour pool and lower wages, when social costs are factored in, the overall impact on the economy may well be negative. On a per capita basis, Canada’s unemployment rates remain considerably higher than those in the United States, and yet we have immigration levels that are consistently twice as high as theirs.
The greater surplus of labour in Canada compared to the USA, moreover, may have been a contributing factor in the failure of our productivity to keep pace with that of the Americans in recent years. Studies in the US have shown that, in cases where cheap labour is plentiful, industry is less likely to invest in labour-saving technologies or practices. According to the Washington-based Center for Immigration Studies, the abundant supply of cheap foreign labour in sectors of the US agriculture industry has, for example, slowed progress in harvest mechanization, undermined the competitive position of American farmers, and allowed foreign countries to leap ahead of the United States in developing new mechanical harvesting technologies (Sarig, Thompson, and Brown, 2000).

In Canada’s case, it would appear that our much higher levels of immigration per capita and our consistently higher rates of unemployment have encouraged us to substitute labour for technology to increase production (Thorpe, 2001), and have thereby had a significant impact on the widening of the competitiveness gap between our two countries.

Those in the private sector who are enthusiastic supporters of high immigration levels should, in the circumstances, consider the social costs of immigration. Those costs may more than offset the immediate benefits of creating a larger labour pool, and may in the longer term contribute to increasing government expenditures and taxes to the point that they deter investment and encourage the brain drain. To prevent taxpayers from reaching such conclusions, the government frequently refers to the major—but usually unspeci-
Another question that must be addressed is whether we have adequate resources in place to deal with the current volume of immigrants. In a report issued in April 2000, the Auditor General of Canada made it abundantly clear that the requisite resources were not there, and that “the significant weaknesses... lead us to conclude that in its current operations and with the resources at its disposal, the Department is overtasked” (Report of the Auditor General of Canada 2000, section 3.55). The report added that it was “highly questionable whether the Department can handle the number of applications involved in meeting the annual immigration levels set by the government and, at the same time, maintain the quality of decisions and the Program’s integrity at an acceptable level and ensure compliance with the Immigration Act...”

The report goes on to state that the Auditor General’s office is “very concerned about the Department’s ability to ensure compliance with legislative requirements in this area” and “noted serious deficiencies in the way it applies admissibility criteria related to health,19 criminality and security.” It emphasized that this was not the first time attention had been drawn to these issues, and pointed out that it was “somewhat disappointing to note the limited progress it has made since our 1990 Report, which noted many of the same problems. We believe that the Department needs to take corrective action without delay to ensure the integrity and effectiveness of the Canadian Immigration Program” (Report of the Auditor General of Canada 2000, Section 3.99).

Lack of resources, and particularly Canadian staff, has led to a host of problems at immigration offices abroad. With pressure from Ottawa to increase immigration numbers, the performance appraisals of visa officers have been more closely related to the number of visas issued than to the quality of their decisions. The report notes that immigration applications are subject to numerous interventions from members of Parliament, lawyers, immigration consultants, and non-governmental organizations. Furthermore, since the passage of the Canadian Charter of Rights and Freedoms, the selection of immigrants has moved towards a more legalistic interpretation of the selection criteria; it no longer relies mainly on the visa officer’s evaluation of the applicant’s ability to settle in Canada and contribute to the economy.

In consequence, many officers and managers now feel that the objective of selecting desirable immigrants has been replaced by the objective of justifying refusals. In their opinion, the program has evolved to a point where the burden of proof in many cases rests on their shoulders, not the applicants’. For heavily overworked visa officers it is much easier to approve an application of dubious merit than turn it down and perhaps face weeks of additional work justifying the decision.

The concerns expressed in the Auditor General’s report have, moreover, been reflected in media reports of dispatches from immigration posts abroad indicating that these people do not have the resources to do their jobs, including such tasks as screening the possible unsavoury backgrounds of many who apply. The Canadian Embassy in Moscow, for example, advised headquarters in 1999 that it did not have enough staff or resources to weed out all the Russian mobsters trying to move to Canada (National Post, July 2000; see also Bell and Jiménez, 2001). In addition, there has been a host of revelations concerning the theft of funds, fraud, and other irregularities by local staff at our missions abroad as the latter increasingly lack enough Canadian staff to pro-
vide adequate supervision in relation to the workload (Humphries and Fry, 2000; Jiménez and Bell, 2001).

I might add that in my own experience as a Canadian ambassador, I have found that we have an exceptionally capable and dedicated cadre of immigration officers at our posts abroad. However, it is virtually impossible to serve and protect Canadian interests given the lack of resources combined with the high volume of applications, the large number of applications at many posts involving fraud, and the need to oversee in detail the work of local staff. The effect of this chronic and serious shortage on these officers was aptly summarized in the 2000 Auditor General’s Report which stated: “generally, employees are very concerned about the present state of affairs and feel they are no longer up to the task. A high percentage of employees feel they must contend with operational requirements that seriously limit their ability to protect the Program’s integrity. They have neither the time nor the tools they need to do the work that is normally required. Many of the employees’ comments indicate an obvious malaise. Visa officers feel they are not only going against their own values, but also making decisions that could carry risks that are too high and that could entail significant costs for Canadian society” (section 3.62).

Little has been done since the release of the Auditor General’s Report to address these problems and, if the government pursues its goal of achieving an annual intake equivalent to 1 percent of our population (i.e., around 310,000), the situation is only likely to get worse. While some additional resources have been provided to the department in the wake of the events of September 11 in order to respond to some of the increase in demands these events have placed on the visa program, there is little prospect of this contributing in any significant degree to alleviating the problems described above.

As noted earlier in this paper, the government has not provided any sound rationale for present immigration levels. An objective review of our real requirements would almost certainly reduce them to a scale where resources currently allocated would be more in line with what is needed to ensure that applications were adequately screened and the appropriate people were being allowed into Canada. Alternatively, if the government is not prepared to make these adjustments, and if the health and security of Canadians is to be protected and we are to be assured that those allowed to come here actually possess the qualifications they claim to have, the government should, at the very least, acknowledge the seriousness of the situation, and transfer to this department resources from other areas.

The Social Impacts of Immigration Policy

Attitudes of Canadians towards immigration

Perhaps the most frequently cited social benefit for Canadian society from immigration is its enrichment through the greater diversity that newcomers—particularly those who have arrived in recent decades—have brought to this country. Most Canadians would agree that this diversity has made Canada a more vibrant and interesting place. Most would also support the notion that our country has gained by becoming tolerant and accepting of the varying backgrounds immigrants have brought with them from all over the world.
This belief in the value of diversity was reflected in the final chapter of the Economic Council of Canada’s 1991 report (Economic and Social Impacts of Immigration, pp. 131 to 135). After those who had carried out the research found that the economic and demographic benefits of immigration were minimal at best, the Council suggested in the final chapter that it still might be justified in terms of the greater diversity it brought to Canada—although it had to acknowledge that, despite extensive research efforts, no solid evidence was uncovered to support this assumption. The Council also cautioned, however, that further increases in immigration levels ran the risk of provoking social and other problems, and recommended a breathing spell (i.e., a major reduction in intake) as well as reviews every 5 years of how successfully the integration of immigrants was being handled.

Similar concerns over increasing social tensions were voiced in the Department of External Affairs report referred to earlier, which stated that “it is possible we will see a further serious increase in tensions and racial incidents in our larger cities as the still modest proportion of visible minorities in our population gradually rises” and that “such tensions, if they arise, could do serious damage to Canada’s liberal self-image as a strong proponent of human rights—an important unifying factor in the country at large” (Department of External Affairs, 1991, p. 31).

In a report in 1990 on immigration levels, the parliamentary Committee on Labour, Employment and Immigration noted that immigration had exceeded 200,000 only three times in the last 70 years and advised the government against venturing above that level. It warned the government of social tension, overconcentration of immigrants, and integration problems. It said we need “a period of slower growth to take stock of the situation.” The author noted that the advice was wise and the Mulroney government’s decision to ignore it was extremely foolish (as reported by Stoffman, 1992, p. 23).

While a good deal of research has been carried out on the economic and social problems experienced by newcomers themselves, relatively little has been done on the extent to which their arrival may be giving rise to problems and even a negative reaction on the part of the receiving community. One of the relatively few studies in this field, a report by Douglas Palmer released by the Department of Citizenship and Immigration in 1999, concluded that higher rates of immigration were associated with decreased support for current immigration levels among both Canadian-born and immigrants themselves. He noted that this was particularly true in the case of a city like Vancouver, where the rapid rate of social change due to immigration appears to have had marked effects on attitudes and perceptions (Palmer, 1999, pp. 8 to 11).

Palmer acknowledged that he was unable, or at least not yet able, to identify at what level of intake negative attitudes begin to emerge, but suggested as a reasoned guess that it might be in the range of an annual intake of immigrants equal to between 0.5 and 1.0 percent of the population. The study reported that the intake for both Toronto and Vancouver for the period 1995-97 was 2.24 percent, a finding that should have been a cause for concern on the part of parliamentarians from these two cities if the aforementioned “reasoned guess” is correct.

Palmer added that, given that the sparse data available suggest (current immigration levels) policy can have an impact on the level of racism present in the major immigrant receiving communities, the need for better data on attitudes towards immigrants is pressing. Apart from this study, however, the government has shown little inclination to date to take a detailed and comprehensive look at how Canadians view current lev-
els of immigration, particularly in the areas of greatest concentration—Toronto and Vancouver.

While there is no evidence that any Canadian communities are on the verge of experiencing the tensions and riots involving immigrant communities that have taken place in a number of British cities in recent years, it would be folly to assume that such events could never happen in Canada. One of the major differences between earlier and current policies is that, while in the past, immigration levels bore some relationship to economic conditions and absorptive capacity, it is now driven primarily by political and other special interests. In consequence, there is little prospect that we will see the kind of pause that occurred in earlier years between major waves of immigration and which provided time and opportunities for large concentrations of newcomers to be integrated. The government has made it clear that it intends to continue to increase the intake at least until it achieves its goal of 1 percent of the population per annum. This will presumably take place regardless of any negative effects it will have either on the Canadian people in general, or on the immigrants who have already arrived.

**Are some immigrants becoming ghettoized?**

A number of characteristics of current immigration trends should give Canadians and the government pause for reflection. Because of the priority given to family class, there are increasing concentrations of people from the same cultural and linguistic backgrounds in metropolitan areas, not infrequently with significant levels of poverty because of their lack of marketable skills and of English and French language proficiency. This does not mean that all family class immigrants are in this category—many individual success stories can be found in this group—but the overall trends are clear.

Ironically, the priority given to this group limits the very diversity that the government claims to be striving for. It is easier for relatives of people already here to obtain immigrant visas—which, in effect, makes the large communities even larger—than for people from countries that have relatively small communities in Canada, such as Thailand, Brazil, or Indonesia, for example. Concern over this phenomenon was expressed in the Department of External Affairs paper mentioned above when it pointed out that family class immigration “has the practical effect of considerably increasing the proportion of Third World immigrants we receive, in what amounts to a kind of positive discrimination favouring those individual Third World nationalities that happen to be here already in strength, while doing nothing for other such nationalities” (Department of External Affairs, 1991, p. 40).

Although Canada has not yet seen the emergence of full-fledged ethnic ghettos where minority groups, including immigrants, can remain in poverty for more than one generation, there are indications that these could develop. If they do, it will probably be related in considerable measure to the large numbers of family class members and refugees who have come here, many with few skills to bring to the job market as well as limited ability in English or French.

**But even if immigrants themselves have a hard time, surely their children do well?**

A frequent argument one hears in relation to the value of immigration is that, despite the difficulties faced by many new arrivals, their children at least are beneficiaries of their coming to Canada, and it is the latter who make the most important contribution to the new country. While this is undoubtedly true in many cases, and historically the descendants of immigrants have done better than the newcomers themselves, it should not be taken
for granted that this is invariably the case, or that
new and less positive trends may not be develop-
ing in some areas. In the United States, for exam-
ple, the Center for Immigration Studies reports
indications of a troublingly high percentage of
children born to Latino immigrants assimilating
into a rebellious, anti-intellectual youth culture
(Camarota and Bouvier, 1999, p. 11).

Immigration activists, and to some extent the me-
dia, tend to focus public attention on the success
stories rather than the failures. Considerably less
attention is paid to areas in which the second gen-
eration is not doing as well as some would have
us believe. What little data is available on the sub-
ject suggests, for example, that the dropout rate
among English as a Second Language students is
disturbingly high,20 (a situation which, no doubt,
has a major impact on the their success in the
workforce). Clearly there is need for further re-
search and information on just how well the sec-
ond generation is doing and, where there are
serious problems, how they should be addressed.

Modern communications
and technology may slow
down integration

A different factor that has markedly slowed the
integration of newcomers has been rapid devel-
opments in communications and technology.
These developments have enabled new immi-
grants to continue to be immersed in the culture
and concerns of the countries they left, rather
than having to concentrate on things Canadian
and adapting to their new land. Ironically, these
facilities were expected to contribute towards
transforming the world into a global village in
which all regions and cultures would have access
to all others, and greater familiarity and under-
standing would result.

In the case of immigrants already limited in their
capacity to get involved in the new culture and
the work force of their adopted lands, however,
these technologies often play a significant role in
perpetuating their ties to their former culture and
homelands rather than easing their transition into
the new. This phenomenon was noted in a
Maclean’s magazine article which reported that
“cheap communications technology and the
Internet enable new arrivals to stay in intimate
touch with their native lands, slowing down inte-
gration. Amir Hassanpour, a research associate at
the University of Toronto, who specializes in me-
dia studies, is quoted as stating that as a conse-
quence, the pattern of assimilation has all but
disappeared, adding that ‘the new groups are
more distinct and they have round-the-clock ac-
cess to their country of origin.’ City of Toronto
immigration expert Tim Rees puts it another way.
‘We’re living side by side but not together’” (May
31, 1999, p. 34).

Problems of crime
in immigrant
communities

More attention also needs to be given to issues
concerning crime in immigrant communities. The
relationship between immigration and crime, as
one recent study indicates, remains largely unex-
plored (Gordon and Nelson, 2000, p. 264). The
lack of research in this area appears to arise in
large measure from a combination of political cor-
rectness (i.e., “it is not the Canadian way to look
too closely at problems within ethnic communi-
ties, particularly if they happen to be visible mi-
norities”) as well as, in all likelihood, the
government’s reluctance to draw attention to is-
ues that might raise questions about its claims
that immigration benefits Canadian society. The
study referred to above reflects the sensitivity to
such concerns when it suggests certain analyses
that “may assist in developing an approach to un-
derstanding the relationships among crime, eth-
nicity, and immigration, and demonstrate how
such analyses need not undermine multicultur-
ism or entrench damaging stereotypes” (Gordon and Nelson, 2000, p. 265).

The government is correct when it points out that immigrants constitute a smaller proportion of inmates of correctional institutions than they do of the overall population. In saying this, however, it seeks to avoid addressing the fact that some communities have to contend with a serious incidence of certain types of crime. It is, moreover, the immigrant communities themselves that are the principal victims, both because they are more often than not the main targets of the criminal activity, and also because of the negative impact such activities can have on the reputation of the community as a whole. Despite this, Canadian authorities have at times shown a marked reluctance to involve themselves too closely in many of these issues. This reticence may be due in part to the fear of being criticized for targeting visible minorities. Other quite different explanations have also been advanced, including the possibility that there is limited interest on the part of the police in devoting their time and resources to investigating such crimes, since both victims and perpetrators are from the same community with the result that there is limited concern and interest on the part of mainstream Canadians.

As a case in point, people of Vietnamese origin in Vancouver have suffered considerably because some of their numbers are members of violent criminal gangs. Further to this, a significant number in recent years have become involved in marijuana growth operations in the Lower Mainland area. One report quoted police sources as indicating that there were 7,000 to 8,000 such operations of a commercial scale in this region, and that 85 percent of the people arrested were of Vietnamese origin (Bailey, 2000).

This state of affairs has been not only been damaging to the reputation of the Vietnamese community in Vancouver in general, but has created difficulties for the many honest and law-abiding people of Vietnamese origin as landlords have become reluctant to rent them accommodation in Vancouver, fearing that their property will be turned into marijuana grow operations. News reports suggest that, due to limited resources, police have virtually given up laying charges against those involved in such activities. As a result, the level of criminality in this particular community resulting from these activities is not reflected in the statistics of inmates of correctional institutions.

The reasons why such a situation has developed are no doubt complex. A major contributing factor could include the reluctance of people in some ethnic communities to report criminal activities to the police because the corresponding authorities in their countries of origin were generally held in low esteem and were often more inclined to serve their own interests rather than protect the innocent and apprehend lawbreakers. Other explanations have also been advanced, such as the reluctance of many to report on crime within their own ethnic community because of the low rate of convictions and relatively light sentences in BC courts. Whatever the reasons, the situation cries out for more research and investigation into why some communities experience far more serious problems of criminal activity in their midst than others.

One Vancouver-area community which has shown commendable initiative in organizing a public meeting to look for solutions to such problems are the Indo-Canadians, members of which met recently to try to find out why there had been 50 killings since the early 1990s among youth gangs made up primarily from members of their community (Middleton and Nurmohamed, 2002). Various possible explanations were advanced apart from those already mentioned. They included the fact that many immigrant parents have to work extremely hard, not infre-
quentiy holding down two jobs, and therefore are able to spend relatively little time with their children as well as having a very limited command of English. As a result, there may be what in social work circles is described as “cultural disconnect” between parents and children, particularly if, outside the home, the latter have been extensively exposed to a Canadian environment.

Shashi Assanand, a social worker who heads the Vancouver and Lower Mainland Multicultural Family Support Services Society, suggested that the violence is an unfortunate spin-off of the immigration process, adding that children of immigrants essentially grow up in another culture. The result is a value clash where parents think in one language, and children think and speak in another. The in-depth communication that needs to happen between children and parents doesn’t happen and, without strong family guidance, these rudderless children adopt the most superficial aspects of both Canadian and South Asian culture (Tanner, 2002).21

Former BC Premier Ujjal Dosanjh, who took part in the discussion, is quoted as stating that such young men are particularly susceptible to recruitment by gangs and the promise of “big bucks and fast money,” adding that the temptation is even stronger knowing that there is almost no fear of prosecution and because of the dismally low number of murder convictions.

One area that has not been looked at closely but which deserves further examination is whether, in some instances, problems of crime in a particular community bear a relationship to the immigration category through which many of its members entered Canada. Where, in fact, a community is composed in large part of persons who came in through programs that did not require any occupation or language qualifications (primarily family class and refugees) the chances are almost certainly greater that parents will have more difficulty remaining in touch with their children as the latter become more and more exposed to Canadian society. In some cases, parents in such a situation may try to avoid such problems by having their children attend religious or other types of private schools where they have the less exposure to the new society.

While this may help reduce problems in terms of relations between parents and children, it creates other difficulties as it provides the latter with limited preparation for participating in Canadian society. Immigrating to a new country poses major challenges in the best of circumstances, particularly if there are significant cultural differences with the country left behind. Clearly, if parents are themselves reasonably well prepared to adapt to the new homeland in terms of employability and language, they stand a much better chance of staying in touch with their children and helping to guide them through the double challenge of growing up and at the same time having to adjust to a new cultural milieu.

The notion promoted by many immigration and refugee activists that a significant proportion of our newcomers should be from among the more disadvantaged may sound laudable in principle but, when examined closely, leaves serious questions as to whether such an approach is really in the best interests of Canada or of the newcomers themselves. For those with limited prospects of adapting successfully, it is debatable to say the least whether we are doing them a favour by allowing them to settle here.

Questions about what causes some immigrant communities to encounter greater problems with crime than others are obviously very sensitive and must be approached with care in order to avoid negative stereotyping. For the sake of the communities themselves, however, research should be conducted into these issues, including questions about whether such problems may be
related in part to policies that encourage the immigration to Canada of persons who are less qualified than others to adapt to Canadian society and to keep in touch with their children as they grow up in Canadian society. It must be stressed here that this is not an issue of the ethnic, cultural, or religious background of immigrants. Newcomers from all over the world and from every background have demonstrated that they can become very successful Canadians and participate to the fullest measure in Canadian society. It does, however, mean that we should look carefully at the individual qualifications of those who come here to ensure that in terms of job skills and language ability in particular, they have a good chance of success after they arrive.

**Issues of terrorism**

Yet another area that needs further study is the degree to which foreign-based terrorist groups have been able to function with relative ease in the midst of some immigrant communities. This issue has received a good deal of attention since the events of September 11. Questions have been raised as to why extremists have been able to engage in fundraising, procurement, and the planning and preparation of terrorist operations abroad without coming to the attention of the authorities. This is particularly pertinent given that most members of these communities presumably came here to start new lives as Canadians and to accept our democratic values and human rights standards rather than to use this country as a base from which to settle grievances brought with them from their countries of origin.

In the circumstances, it would appear timely to re-think certain aspects of the expectations Canada should be entitled to have with regard to our newcomers. While continuing to fully support the Canadian belief that people from all parts of the world should be warmly welcomed and their cultural backgrounds fully respected and celebrated as a contribution to the enrichment of Canadian society, we should at the same time not be reticent about demanding a full commitment to Canadian law and Canadian values. In the circumstances, immigrants and members of ethnic minorities should be prepared to work closely with Canadian authorities to keep them apprised of any activities in their midst of a terrorist or criminal nature.

Such a prescription may not sit well with those who maintain that immigrant communities should be allowed—and even encouraged—to maintain their distinct identity to the point of engaging in any activities of their choosing that do not contravene Canadian law. That foreign terrorists have been able to conceal themselves and move with relative ease in some of these communities in Canada has been a matter of concern to our security authorities for some time (Fife, 1999). This concern has been heightened by the fact that Canadian government leaders have sometimes shown considerable reluctance to take action in situations that do not pose an immediate threat to Canada’s own security and where such action might result in the loss of electoral support in some communities (Humphreys, 2000; Fife, 2001).

Since September 11 questions have been raised about the extent to which democratic immigrant-receiving countries should accept individuals who may not be terrorists per se, but who are not prepared to accept the values we stand for and may well use their presence here to support activities which are in conflict with our interests and our principles. While sorting out how to deal with such issues in a fair and reasonable manner is obviously far from simple, if we intend to continue to be able to welcome newcomers from all parts of the world, these are questions that will have to be addressed in one form or another.
Coordination of policies with the United States and questions of Canadian sovereignty

Another point related to the issue of terrorism is that of relations with the United States. A good deal has been said and written on this subject since September 11 as the Americans focus on improving measures to prevent individuals who may pose a threat to their national security from entering their territory. Since Canada has a long and relatively open border with the United States, it is assumed that either we will control entry into our country in a manner that lets in as few people as possible who might pose a security threat to ourselves or to the Americans, or accept the consequences of having a less open border with the United States. If the latter comes to pass, it will not only have major implications for the movement of people, but could have a devastating effect on our economy. While a severe slowdown in trade would not be without negative repercussions for some sectors of the US economy, it would still be much more manageable on their side of the border since less than five percent of the American economy relies directly on trade with Canada, while more than 40 percent of ours is based on trade with the them.

A number of measures have already been put in place, or at least agreed to, between our two countries to keep trade moving and exercise better control over the movement of people. With respect to entry of people onto our soil, the recently concluded “Safe Third Country Agreement” with the United States on asylum seekers will improve the situation somewhat. However, it will solve only part of the problem since a large proportion of our refugee claimants come through Europe or Asia directly to a Canadian port of entry, usually by air. We can, therefore, expect to have a good many more discussions with the Americans before systems are in place that protect the interests of both of our countries and ensure that that border traffic can continue to move as smoothly as possible. These may include parallel (and perhaps even coordinated) measures for screening and tracking visitors, parallel requirements for visas for most countries, and changes in the way refugee claimants are processed.

Thus far, the Americans have not raised many of these issues with us in any detail as they are still examining what measures need to be taken in their own country. Given the complexity of some of the problems and the number of different government agencies involved, it will be some time yet before the US is in a position to review how these need to be coordinated with whatever we are doing to improve our security. In my view, however, it is only a matter of time before such discussions will be held in earnest, and we will have to decide where our priorities lie. Do we want to maintain a completely independent regime, or will we coordinate some of our practices more closely with the United States in order to continue to enjoy the benefits of a relatively open border between our two countries?

Some argue that changes on our part to accommodate American security concerns constitute an infringement of Canadian sovereignty and Canadian values. However, my own assessment of possible measures we might be expected to take is that most of them can probably easily be justified in terms of our own national interests—quite apart from any benefits that may accrue from ensuring we maintain good relations with the United States. While we may have to make some concessions simply to satisfy American interests, my expectation is that these will be relatively few in number. In my view, expressions of concern about the possibility of eroding of Canadian sovereignty and Canadian values in order to meet US security needs in this area are related more often than not to fear that they may encroach on vested interests rather than the sovereignty of the nation.
Since September 11, American foreign policy has become more activist and unilateralist, a trend that has been accompanied to some extent by a greater responsiveness on the part of Congress and the Administration to pressures from lobby groups in the United States. We will have our hands full defending our legitimate interests in such areas as softwood lumber and agricultural subsidies. It would be particularly unwise in these circumstances to make an issue out of immigration and refugee policy if the changes required also make sense in terms of our own national interests.

**Why Is It So Difficult to Make Reforms to Canadian Immigration Policy?**

**Opposition political parties contribute little to the debate**

One significant obstacle to achieving meaningful improvements in immigration policy is the determination by the party in power in Ottawa (as well as by opposition parties, to a considerable extent), to try to extract political gain from policies that have little or no relation to the interests of the country. This problem is particularly obvious in the case of the priority given to family class. Not only do the ruling Liberals try to profit from enlarging the provisions for this category, but opposition parties have shown little hesitation in arguing that the government is, if anything, too restrictive and should be bringing in more people more quickly under this heading. While the opposition obviously hopes to gain the support of voters who want to bring in members of their extended family, the Liberals have thus far demonstrated remarkable success in convincing the electorate that only their party can be relied upon to guarantee that the family class remains the priority. Opposition parties, therefore, have little to show for their efforts apart from making it easier for the government to pursue such policies.

**Playing the race card**

Another factor that has made it easy to block reforms is the government’s success in shutting down debate on immigration issues by suggesting that critics of their policies are essentially racist. Such tactics were evident, for example, when Paul Martin was asked in Parliament to explain why he had attended a dinner hosted by a group widely considered to be a front for the terrorist Liberation Tigers of Tamil Eelam. Martin responded to the effect that “anybody who attacks a group of Canadians, whether they are Tamils or anything else, who gather at a cultural event and basically try to link them with terrorists, that is not the Canadian way” (National Post, Editorial, May 31, 2001). His colleague, Solicitor General Lawrence MacAuley, reinforced this explanation by suggesting that “it is irresponsible for any member [of Parliament] to try to link terrorism with ethnic communities” (Naumetz, 2001). Canadian Alliance MP Deepak Obrai made the point, nevertheless, that “This is not a cultural issue. This group here (the LTTE) is known to be supporting terrorists, one of the most ruthless ones” (Naumetz, 2001). Despite the irrelevancy of their arguments, Martin and MacAuley were generally successful in thwarting further discussion of the matter.
On a more recent occasion, Derek Lee, the chair of the House of Commons National Security Subcommittee and Liberal MP from Ontario, described the comments of a critic who questioned the ease with which terrorists could use the refugee system to enter Canada as “bordering on racism,” adding that “making blanket statements about the immigration and refugee system tarnishes entire communities” (Curry, 2002).

Suppressing the debate

As mentioned at the beginning of this paper; the government-commissioned Immigration Legislative Review made the point that it was difficult to discuss subjects such as immigration in Canada because to do so was “tantamount to questioning its benefits or the place of immigrants and that this kind of unspoken censorship had been chronic problem for both journalists and politicians” (Immigration Legislative Review, p. 4).

This was by no means the only occasion when this issue has been highlighted. A book on Asian immigration published by the University of British Columbia observed that “The reticence of Canadians on issues related to Asian immigration and racism is not helping the process of formulating proper policies and programs. The avoidance of the issue for political expediency by major political parties is inimical to the process of policy making” (Laquian, Laquian, and McGee, 1997, p. 21). Among the authors’ conclusions were that immigration generally, and Asian immigration specifically, and their consequences are legitimate spheres of policy debate, but that discussions of these subjects are coloured by ethnic and racial considerations. “In this debate, racially-tinted incidents in Canada’s history are brought out. In the efforts of actors and protagonists to push their individual points of view, discussions of policy options are muddied by bringing in charges and counter-charges of racist tendencies and motivations,” according to the authors (Laquian, Laquian, and McGee, 1997, p. 27).

It is worth noting just how effective immigration activists have been in using the race card to shut down discussion about immigration issues. Their arguments are often short and simple: since most of our new immigrants are members of visible minority groups (over 70 percent at present), anyone who suggests that current levels are too high must be a racist because lowering the intake would have the most impact on such minorities. This approach was used with particular success in the 1993 federal election when the Reform Party proposed reducing the annual level to 150,000 (which would still, incidentally, have left us with the highest per capita intake in the world) and was promptly labelled as racist. No Canadian political party has had the nerve to raise serious questions about immigration levels since.

American and Australian approaches to immigration

It is interesting to contrast Canadian political attitudes with the proposals of the US’s bi-partisan congressional Commission on Immigration Reform, which recommended that the United States lower its annual intake of legal immigrants and refugees from 830,000 to 550,00 a year (i.e., equivalent to 60,000 a year in Canada). This recommendation is of significance not only because it came out of consultations between the two main political parties working together to further the national interests, but also because, in comparison with Canada, the US economy should be capable of absorbing a higher number of immigrants on a per capita basis since its unemployment levels are consistently lower than ours.

While the recommendations of the bi-partisan commission were not acted upon as American political parties continued to treat immigration policy as a source of potential political gain, Aus-
Australia has succeeded in implementing major reforms and provides a better example of an immigration policy based on national interests. The current coalition government in that country instituted fundamental changes to ensure that immigration policy was designed to serve Australia and has received resounding electoral support as a result.

**Opponents of immigration reform**

Returning to the situation in Canada, it is by no means only the federal government that has shown an interest in pursuing policies divorced from the well-being of the nation. Immigration lawyers and consultants have been assiduous in making known their concerns and pressuring the government to respond to them. They have been particularly effective in lobbying for changes that serve their interests and have not infrequently combined these efforts with human rights activities, a mix which has proved effective in conveying the impression that they are furthering the interests of their clients on the basis of principle, and not just profit.

Immigrant service organizations have also played a significant role in opposing reforms and in lobbying for changes that drive policy even further away from serving the interests of the country and, in some respects, from those of the immigrants themselves. A case in point occurred in 1998 when the Immigration Legislative Review proposed that newcomers be required to have a working knowledge of English or French before they arrive, since research indicates that such an ability is key for successful integration. In emphasizing the importance of such skills, the Review recommended standardized language tests for economic immigrants along the lines of those used by Australia, New Zealand, or Quebec, as well as a requirement that family class immigrants pay the costs of training in English or French if they don’t speak either language when they arrive. The proposal was successfully opposed by immigration activists and immigrant service groups who argued that such a requirement was racist in nature in that it would favour those from English speaking countries (for a summary of the debate, see Campbell, 2000, pp. 168 to 174. For further commentary, see Collacott, 1998). They might have added (but did not), that if immigrants already possessed such skills when they arrived in Canada, the services of such organizations would be in less demand and they would stand to lose a good deal of their government funding.

One might question, under the circumstances, the extent to which many of the organizations that lobby on behalf of immigrants really do act on behalf of the interests of those they claim to represent. Not long after their success in shooting down the language proposals, a poll was carried out in the Vancouver area which showed not only that 75 percent of Canadian born, but 73 percent of immigrants themselves, supported the Review’s recommendations on language (Rinehart, 1998). The fact that most immigrants themselves thought it made sense for newcomers to bring with them a knowledge of English or French did not, however, prevent immigrant aid organizations from claiming to represent the interests of the immigrants in lobbying against the proposals.

In some instances, however, large segments of entire communities have been mobilized to vote in blocks in order to press for policies that serve their particular interests. Probably the most notable example of this is the Sikh community in Canada, and especially in British Columbia.

Sikhs nation-wide number about half a million, or roughly 1.6 percent of our total population. They have, however, been able to exercise an influence far greater than might be expected given their numbers. They have achieved this by delivering...
large blocks of votes, which often determine the results of an election in a particular riding or in the choice of candidate by a particular party. One recent estimate is that a block turnout by the Indo-Canadian community (which is predominantly Sikh) in British Columbia for one Liberal candidate or another could decide the vote in up to half of the ridings in that province (Ward, 2002). Other predictions are that Sikhs will make up about 15 percent of the 3,600 delegates expected to attend the Liberal leadership convention in February (Dawson, 2002), and that Sikhs could potentially have significant influence at delegate selection meetings in anywhere from a third to a half of Canada’s 301 ridings (O’Neill, 2002).

Most Canadians applaud the participation of newcomers in local, provincial, and federal politics as a healthy development and a demonstration of increasing interest in our political process and commitment to being part of the Canadian scene. Such a development is likely to be regarded less positively, however, if it is seen as designed primarily to serve the interests of a particular community. In the case of the Sikhs, this interest has focused at the federal level to a large extent on facilitating the immigration of kith and kin to Canada. It was, indeed, no accident that when Prime Minister Chrétien visited a Sikh temple in Abbotsford, BC, in late July to declare it a national heritage site, he took the opportunity to announce the opening of a consular and visa-issuing office in Chandigarh, the capital of the Sikh province of Punjab in India.

In response, there are rumblings in the Chinese community in Vancouver over the success of the Sikhs in extending their political influence far beyond their numbers; questions are being raised about whether the Chinese should not also consider voting as a block in order to serve more effectively their community’s interests. Even though people of Chinese origin in Canada number twice those of Sikh origin, the former have yet to emulate the achievement of the latter in having members of their community appointed to fill the posts of both a provincial premier (Ujjal Dosanjh) and a full federal cabinet minister (Herb Dhaliwal).

In the event the Chinese were to respond by themselves resorting to block voting, it is not inconceivable that people of European origin would eventually follow suit in order to ensure their interests received sufficient attention. While the further division of voters along ethnic lines would obviously not bode well for the unity of Canada, the federal Liberal Party shows no signs of discouraging such activity as long as it serves their objective of consolidating political support.

**Public debate on immigration tends to be controlled by those with a vested interest in perpetuating current policies**

One of the major problems of getting appropriate public input into immigration policy is that almost all of the groups and individuals making representations to the government are those with specific interests in enlarging the scope of immigration intake, despite the fact that polls have consistently shown relatively few Canadians support such policies. The government itself has encouraged such selective representation, particularly where pressure from lobbyists helps to shore up support for measures that the party in power believes will pay political dividends.

An example of the selective nature of such representation could be observed when the chairman of the House of Commons Standing Committee on Citizenship and Immigration, Joe Fontana, reported in May of last year on the hearings the Committee had just held in various parts of Can-
ada. Fontana made the point that what came through clearly during the hearings was that “with the exception of a few people who said that we didn’t need any immigration whatsoever—but those were only two or three in number out of the 154 that in fact had made presentations—it was that a lot of people said we need more immigration” (Fontana, 2001).24

Many organizations that lobby on behalf of increased immigration levels and fewer restrictions on who can come in, or who provide services to immigrants, receive substantial funding from the government, and therefore form a natural constituency which can be relied on to oppose any reforms of the type advocated in this paper. Such groups comprise the vast majority of those that come forward to make presentations to parliamentary committees and enabled Joe Fontana, for example, to convey the impression that they represented the wishes of Canadians in general.

In contrast, most surveys of Canadian attitudes on immigration levels show that far more respondents think they should be lowered rather than raised. Angus Reid polls taken over a period of almost three years, from January 1996 to October 1998, for example, indicated that 42 percent of Canadians thought we were taking too many immigrants and only 8 percent that we were taking too few (Palmer, 1999, p. 6). The polls, it should be noted, were taken at a time when immigration averaged less than 200,000 a year. By last year, the government had pushed up intake to more than 250,000, and has made clear its intention to raise it to more than 300,000.

Lack of sustained public concern

Yet a further impediment to mounting an informed and balanced debate on immigration and refugee policy is the lack of sustained public concern on these subjects. An example of this took place in 1999 when almost 600 Chinese migrants were apprehended on the West Coast while attempting to enter Canada illegally. In May of that year, prior to their arrival in four rusty freighters, concern over immigration policy was rated as their number one priority by only 3 percent of respondents in the monthly Angus Reid poll. By the time the last of the four boats had arrived, this had jumped to 20 percent—an all time high for immigration, and second only to health care. A few months later, however, when no more illegal migrants arrived through this channel, concern over this issue had again fallen into single digit territory even though large numbers of similar entrants continued to arrive by air—but in smaller groups that failed to attract the attention of the media or public in general (Gray, 1999).

Why, one might ask, does this issue rank relatively low on the scale of concerns of most Canadians, even though surveys consistently show that more would prefer lower levels of immigration than the higher levels the government promises to deliver? Part of the answer, no doubt, is that the impact of immigration takes place gradually as the cumulative effects of high levels take some years to make themselves felt. The problem with this is that, if there are fundamental flaws in the program—and I personally believe that we are creating some very serious problems for ourselves—by the time most Canadians are realize what is happening, the situation will be very difficult to rectify.

In contrast with the concerns of many members of the general public who are uneasy about our immigration policies but rarely to the extent that it is likely to determine how they will vote in an election, immigration activists have been adept at convincing political parties that they are able to deliver votes if those parties promote the policies they want. This phenomenon was well described by a US expert on immigration, Demetrios Papademetriou, when he observed that “An or-
ganized minority will impose itself on a disorga-
nized majority 100 percent of the time.”
Unfortunately, in Canada’s case this is happening
at considerable cost to the country.

The failure of many Canadians to translate into
action the widely felt unease about our immigra-
tion policies is also due in large measure to the
fact that the government, with the support of im-
migration lawyers and activists, has achieved
considerable success in propagating the belief
that immigration not only brings with it a signifi-
cant economic benefit to the country, but is essen-
tial if we are going to cope with the aging of the
population. Many Canadians therefore feel that,
with this in mind, they should put up with the
problems that are clearly emerging. Not surpris-
ingly, support for high immigration levels tends
to be strongest in areas where relatively few new
immigrants are settling and where the local pop-
ulation is generally unaware of the difficulty and
costs arising from increasing immigrant poverty
levels and increasing problems in the labour mar-
ket experienced by many newcomers.

The need for informed public
debate on the issues

What is clearly required is an informed public de-
bate on immigration policy. To achieve this, sev-
eral key elements are needed:

a) Canadians must recognize that immigration
policy is a legitimate subject for debate. Im-
migration activists have far too often suc-
cceeded in suppressing debate based on
objective and empirical information by
claiming that any criticism of current poli-
cies is essentially racist in nature. By the
same token, it must be clearly acknowled-
ged that the majority of Canadians accept
the fact that we are now a multi-racial soci-
ety and we should also be wary of those at
the other end of the spectrum who enter the
debate with an anti-immigrant and
anti-visible minority agenda. Canada needs
an informed and balanced debate on immi-
gration policy at this juncture if we are to
avoid risking the kind of negative reaction
towards immigrants that is becoming in-
creasingly common in Europe.

b) In some of the areas discussed above, the
conclusions as to what action needs to be
taken are obvious in light of the wealth of in-
formation already available. There are no
economic or demographic justifications for
current immigration levels, for example, or
for the priority given to family class. Only
political will is required for the government
to amend policy in these areas to serve the
best interests of Canadians. In other areas,
more research needs to be carried out and in-
formation made available on the impact and
effectiveness of various aspects of current
policies. The Immigration Legislative Re-
view noted that national debates are fruitful
provided they are well supported by com-
prehensive and publicly available informa-
tion—but that this block of information
needs to be created before a debate can take
place. While there has been a good deal of re-
search carried out to date on immigration,
relatively little of it has been designed to test
the fundamental validity of government poli-
cies. In its pronouncements, the government
has shown not only a strong tendency to
downplay or ignore findings that might
bring into question its policies and objec-
tives, but also has been quite ready to put a
spin on what data is available to try to jus-
tify its policies (as described above in con-
nection with the efforts of Prime Minister
Chrétien to use the recent release of census
date to argue that it proves we need more
immigration urgently).

c) Political parties should be encouraged to be-
come better informed on the issues and
adopt policies that are based on the long-term interests of the country and not on short-term political gain. Given the track record of immigration activists in controlling the debate and intimidating those who question current policies, it is essential that those advocating reforms are well informed as to what is wrong with the system and what needs to be done to correct it.

**Specific Recommendations**

a) Immigration levels should be based on population objectives which identify how large a population Canada needs, and in what areas of the country newcomers are needed and prepared to settle. Current goals bear little relationship to such objectives. We should distinguish clearly between how we deal with elements of the immigration program designed to serve our national self-interest, such as the skilled independents, and those based on humanitarian and compassionate grounds, such as family class and refugees.

b) The federal government must be held accountable for the costs of the immigration program and make clear to the Canadian public what all of these costs are. The government must also assume full responsibility for all of these costs rather than leave many of them to provincial and municipal administrations to deal with.

c) The government has recognized that new immigrants should be encouraged to go to areas where the population is declining rather than to large cities, where the vast majority now settle. Until practical measures are in place to accomplish this goal, immigration levels should be lowered to reduce the pressure on large cities.

d) With regard to the anticipated shortage of skilled workers, the government should remove impediments that prevent the natural adjustment of the market from resolving this situation. Immigration should only be used on an exceptional basis to meet such shortages where they are particularly severe and the market cannot rectify them in the short term.

e) It is clear that, on average, immigrants who enter in the family class category are a net liability to the Canadian economy and often pose problems in terms of successful integration into Canadian society. In the interests of the success of the immigration program in general, and continued public support for immigration, the provisions for family class should be restricted to reunification of the immediate family. While provision should still be made for sponsoring parents, it should be along the lines of Australian policy and not, as it is at present, the link for bringing in potentially unlimited numbers of extended family members who are not required to have any qualifications.

f) We should concentrate for the present on the successful integration of immigrants who are already in the country, many of whom are obviously having difficulty, rather than complicate their situation by placing them in competition with large numbers of additional newcomers.

g) It is abundantly clear that available resources are far from sufficient to ensure an acceptable
standard of processing of current applications. This has serious implications in terms of screening out individuals who pose a threat to Canada in terms of crime, terrorism, or health, or who fail to meet our requirements in other respects. This can be resolved either by a significant major increase in resources, or by reducing the number of applications processed to match current resources. Given that there are other good reasons for reducing current intake and it would, in any event, take some time to put new resources in place, a reduction in current levels is the logical course of action to take.

Final Comments

Immigration is having and will have a major impact on what sort of country we are to be in the future. It is too important an area of public policy to be left to special interest groups and efforts by political parties to increase their political support against the interests of the country. Immigration policy must to be based on careful consideration of what is best for Canada as well as the well-being of those allowed to come here as immigrants.

The government’s own research as well as studies either funded or commissioned by the government make it abundantly clear that its own rationales for current levels of immigration are not based on fact and the priority given to family class immigration is in conflict with the best interests of the country. Canadians should be concerned not only because of the economic and social costs of such programs, but also because of the impact they may have on creating social tensions and a less cohesive society.

Canada can be justly proud of having made great strides in recent decades by showing that people of very different ethnic and cultural backgrounds can live and work together and that the country can benefit from the greater diversity our society now reflects. To protect and foster the progress in tolerance and acceptance on which these developments are based, it is crucial that we have a much better understanding of how many immigrants Canada really needs and what our capacity is for absorbing them effectively and integrating them into the workforce and society in general.

At present, we are doing no favour to many immigrants by allowing them to come here if their economic prospects are seriously limited. Sheer numbers and their concentration in relatively few areas could, moreover, lead to a reduction in the level of acceptance by Canadians that would affect not only new immigrants but many of those who have already arrived. It is important, therefore, that instead of concentrating on larger numbers, we look at the quality of the newcomers, and ways of ensuring that those who do come have a reasonable opportunity to be successful in their new land.

Those opposed to such reforms will find various reasons for objecting to them. One that has been frequently and successfully used in the past is that because such proposals would reduce the number of immigrants coming to Canada, and since most of them are members of visible minorities, reforms of this nature must be regarded as racist.

This is, in fact, not the case. To the extent that Canada needs immigrants and is able to integrate them successfully, most Canadians will continue...
to support colour-blind immigration policies that invite people from all parts of the world and from all backgrounds to help build this country. The proposals made in this paper are designed to strengthen our prospects for remaining a tolerant, multi-racial society. Current immigration policies, in contrast, will place this objective increasingly in jeopardy.

Finally, it should be pointed out that this paper has not discussed Canada’s refugee policy in any detail. Although refugees allowed to settle in Canada comprise only around 10 percent of the total immigration flow, there are very serious problems with this program as well. These will be discussed in a subsequent paper to be issued by The Fraser Institute. For those interested in both the background of our refugee determination system as well as current shortcomings, chapters IV to VI of Campbell, 2000, provides an excellent summary. Also highly recommended is Canada’s Asylum System: A Threat to the United States by James Bissett, a former ambassador and Executive Director of the Canadian Immigration Service. The latter also includes an assessment of the potential impact of our refugee system on our relations with the United States and is available online at http://www.cis.org/articles/2002/back402.html. Other critiques well worth reading are Bissett’s A Defense of the “Safe Country” Concept for Refugees, Institute for Research on Public Policy, Policy Options, September 2002; and Stephen Gallagher’s Canada’s Dysfunctional Refugee Policy: A Realist Case for Reform, Canadian Institute for International Affairs, Behind the Headlines, Summer 2001.

Notes

1Green and Green, 1996, say, “…Canada has abandoned the concept of absorptive capacity as traditionally defined. This is signalled most clearly by the failure to cut back the number of immigrants during the labour market difficulties in the early 1990s. Current policy appears to be based on the idea that immigration generates economic growth and thus represents a victory for the proponents of the long-term view of immigration policy. Unfortunately the government provides little evidence to support the claim that long-term benefits offset short-term costs in a poor labour market. Questions remain about why the shift in policy and why current levels of immigration” (p. 2). The authors also say, “The new policy also differs from any earlier policy in that it appears to have no specific rationale apart from a belief in general long term benefits of immigration” (p. 2). The authors also say, “The new policy also differs from any earlier policy in that it appears to have no specific rationale apart from a belief in general long term benefits of immigration. In all past periods of high inflows, one can identify a specific goal for immigration policy. The current policy appears to have been set by “true believers” who hold firmly to a faith in the long-term benefits of high levels of immigration. The trouble with this is that the government has not presented evidence to justify this faith. One might view the positive outlook as resulting from an assessment of the benefits immigration has brought to Canada in the past. But while immigration has brought benefits to Canada throughout our history, it has done so through a pattern of being targeted at specific problems and being cut back in bad times. A radically different direction for immigration policy now appears to have been adopted without concrete support.” (pp. 40, 41).

2Our per capita immigration rates average at least twice those of Australia and the United States, the two other major countries that have programs based on premises similar to ours (Canada’s intake is currently about 0.08 percent of the population per annum, while those of the United States and Australia are around 0.04 percent or less). The United Kingdom, which does not actively promote immigration per se, allows sponsorship of relatives, which produces immigration levels about one third of ours on a per capita basis. The only country seeking immigrants which has greater relative gross immigration than Canada is New Zealand. The latter, however, has to contend with very high emigration rates (mainly to Australia), with the result that net immigration is much lower than ours on a per capita basis.

3Clark, July 17, 2002. As this unfounded claim went unchallenged, Coderre repeated it three weeks later, presumably hoping it would now be treated as fact. He added that Canada might have to increase immigration levels beyond current objectives of 300,000 a year to offset the aging problem, as reported by Thompson, August 9, 2002.
Various reports on this issue can be found on the Center for Immigration Studies website, www.cis.org. A particularly good summary and analysis is provided by Matloff, 1999.

Canada Gazette Part II: Immigration and Refugee Protection Regulations, p. 227, says, “The rapid change in the demand and the continuous emergence of new skill sets means that the present Skilled Worker selection system, focused as it is on the essentially static list of ‘occupations in demand,’ cannot meet the needs of our dynamic society.”

To be more precise, “dependency ratio” includes not only the ratio between those working and those who have retired, but the latter along with those who have not yet entered the workforce. Three decades ago, the percentage of non-workers to workers was, in fact, much higher than it is today. This was, however, because of a relatively high proportion of young people who had not yet entered the workforce. In the future, as the population ages, the dependency ratio will return to higher levels, not because of larger numbers of young people, but because of more retirees. This poses a greater challenge in terms of meeting the costs of support, in relation to such areas as health care.

Since we currently have an annual emigration rate of about 60,000, we would still require an equivalent number of immigrants offset this total—which, in effect, would amount to zero net immigration.

The high-fertility factor (in most sending countries) is only temporarily transferred, since within a generation or less, most immigrants (including those who come to Canada) assimilate to the lower birth rate of their new home and cease to affect its demography. But they can bring about controversial changes in a Western population’s ethnic and religious composition, particularly in poor urban areas where immigrants tend to cluster with fellow nationals. The effects on public opinion are particularly strong when population movement occurs quickly, as at present” (Government of Canada, 1991, World Population Growth, p. 25).

The optimism reflected in Little, 2000, is, in fact, nothing new. Charting Canada’s Future (p. 53) refers to a 1986 IMF study which looked at the evolution of government expenditures on medical care, education, pensions, welfare payments, unemployment insurance and family benefits in the G7 countries for the period 1980-2025. The IMF study found that, even in the worst-case scenario in terms of economic growth and aging of the population, Canada would not see a large increase in these expenditures, and its position relative to other countries would remain excellent.

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Roderic Beaujot was the author of a major review of demographic research projects published by Citizenship and Immigration Canada in May 1998 (Immigration and Canadian Demographics: State of the Research). In the review, Beaujot stated: “I would conclude, somewhat with the Economic Council of Canada (1991) that we should not say that Canada ‘needs’ immigration either from a demographic or an economic point of view. This view that Canada needs immigration is probably based on nation-building myths and the role of immigration in our past, where some even think of Canada as nation of immigrants.”

In 2001, Toronto took in more immigrants in absolute numbers than any other city in North America, including New York, which has three times the population (Mofina, 2002). Mofina reported on a recent study by the Association of Canadian Studies which showed that, among major North American cities, Toronto was the top destination for immigrants in 2000, when it attracted 108,000. It was followed by New York City, with 85,867, then Los Angeles with 47,404. Vancouver was fifth with 33,084 and Montreal was eighth with 28,085 immigrants.

As reported in Campbell, 2000, pp. 24, 25, based on research by Don DeVoretz of Simon Fraser University and presented in a speech to the Association of Professional Economists of British Columbia on September 29, 1995.

There has been criticism of the standards used by the Canadian Council on Social Development in establishing poverty levels in Canada. In particular, Chris Sarlo, adjunct scholar at The Fraser Institute, has argued that the CCSD analysis measures inequality rather than poverty and that, when standards relevant to the latter are used, poverty levels turn out to be only about half those claimed by the CCSD and other organizations (see Chris Sarlo (2001), Measuring Poverty in Canada, The Fraser Institute. Available on the Internet at www.fraserinstitute.ca). Having said this, the CCSD study still provides a picture of the relative increase in poverty levels among recent immigrants in urban areas compared to those of Canadian-born and of earlier immigrants.

In instances where the immigrant has been selected under a Provincial Nominee Program or the Canada-Quebec Accord on Immigration, there may be a case for the provincial government in question assuming responsibility for some of the costs.

Government research also recorded a major drop in earnings of educated immigrants in the 1980s and 1990s. According to the Department of Citizenship and Immigration, immigrant taxfilers who arrived in 1981 with a university de-
ghee reported earnings more than 20 percent above the Canadian average. The earnings of similar immigrants arriving in 1991 had fallen to 30 percent below the Canadian average. This deterioration relative to the national level of employment earnings was evident for all levels of employment, although it was most pronounced for those entering the country with a university degree (Government of Canada, Department of Citizenship and Immigration, 1999).

16 Business immigrants, while touted by the government as being of major economic benefit to Canada, have been of dubious value to say the least. Under the entrepreneur program, in the course of a five year period, of more than 7,000 persons in this category—40 percent of the total—failed to open a business during the 2-year period when they were obliged to do so, but fewer than 10 were deported. This included thousands who simply disappeared, as well as hundreds who used fake documents to create the illusion they were opening a business (reported by Clark, 1999).

Unlike entrepreneur immigrants in Australia, who are issued only temporary visas until their business is up and running, and must leave if they fail to produce, in Canada those who succeed in simply staying here for 3 years cannot be prevented from applying for citizenship even if they fail to start a business. While recent changes have attempted to tighten up the procedures, the question remains as to whether the program is necessary at all. Ten years ago an Economic Council of Canada study noted in this regard that the rationale on which the program was based—i.e. that it created jobs—was without foundation. It also concluded that there was no shortage of resident entrepreneurs in the first place, and therefore no gap in the labour force that needed to be filled through immigration (Economic Council of Canada, 1991b, p.10).

The ECC also expressed doubts about the need for the investor program (the other principal component of the business program) given the existence of excellent national and international markets for capital that can provide whatever is needed, as well as the fact that the influx of money brought by the immigrants benefits them rather than the host country (Economic and Social Impacts of Immigration, p. 34).

Further to this, a senior forensic accountant from the World Bank who carried out an audit in 1999 described the program as a massive sham, riddled with fraud (Mitrovica, 1999). “Canadian taxpayers were hoodwinked” and “a lot of people made a lot of money, mostly lawyers and immigration consultants who set up these bogus investments.” The auditor stated that the claims made by Immigration Canada about the program’s success were a gross exaggeration, and that in many cases there was either no investment or the amount of the investment was grossly inflated.

A separate analysis showed that, despite the requirement that business immigrants bring with them several hundred thousand dollars each, the average contribution under the business program was only $18,000 (presentation by Roslyn Kunin, 1998). When added to the fact that the education level of 60 percent of business immigrants was 12 years or less, and they would almost certainly not have qualified as independent immigrants, the fact that tens of thousands of persons have been able to use these programs to become Canadians has been aptly described by one critic as a “citizenship fire sale” (Campbell, 2000, Chapter 9).

17 A modest improvement in the economic performance of immigrants between 1995 and 1998 has been noted in Smith and Jackson, 2002.

18 The article by Thorpe, 2001, reported on an address by Jayson Myers, chief economist of the Canadian Manufacturers and Exporters association, who stated that Canada counted heavily on labour, and since 1996 had increased its workforce by 5 percent. In the corresponding period, the United States had lost 5 percent of its workforce, but had invested more heavily in technology and widened the productivity gap between the two countries.

19 Among certain groups of recent immigrants, the high rate of AIDS and also of tuberculosis—including strains that are highly resistant to treatment—constitute both a significant threat to the health of Canadians and a major expense to taxpayers. According to a CBC report of March 6, 2000, “AIDS Among African Immigrants,” a University of Toronto study found a disproportionate rate of HIV infection among recent immigrants of African descent—up to 60 times that of other Canadians, involving as many as 450 new cases of HIV a year, according to Dr. Robert Remis, who wrote the University of Toronto report on HIV. He says the numbers are getting even worse, and is outraged by the government’s response. “There’s not even a mention of this issue in the national AIDS strategy. I can’t really understand why,” Dr. Robert Remis is quoted as saying. According to the CBC commentary, “one reason may be the government is reluctant to tackle a sensitive health issue involving a visible minority. Yet leaders of the communities themselves say it’s time to do just that before a growing problem gets a lot worse.” The situation is also serious in the UK, where immigrants from Africa have overtaken homosexual men as the largest group reporting new HIV infections. Last year, 4,163 people were found to be HIV positive in Britain, of whom
1,338 were homosexuals and more than 1,500 were heterosexuals from Africa, as Anthony Browne reported on July 15, 2002.

The incidence of tuberculosis among recent immigrants has also become a major health issue in Canada. There have been many media reports on the problem. For example, Fenlon, 2002, reports that the number of immigrants and refugees being monitored for tuberculosis by Toronto Public Health has more than doubled in a year, leaving city officials swamped. Ottawa has requested medical surveillance of TB for more than 3,300 immigrants and refugees who settled in Toronto last year. That compares to fewer than 1,400 cases in 2000.

A 1994 paper entitled “ESL Dropout: The Myth of Educational Equality” published in the Alberta Journal of Educational Research reported that ESL students at the secondary school level had dropout rates of well over 50 percent—2 to 3 times higher than Canadian-born students. Research in Vancouver also indicates major difficulties. Part of the problem is apparently sheer numbers; immigrant students don’t get the same attention from teachers as they did before 1990 when their numbers were much fewer and, because so many of their fellow students are immigrants, they are no longer immersed in English in the school playground. The average achievement of immigrant students overall in Vancouver and Richmond has been declining while drop-out rates have been climbing (as reported, for example, by Steffenhagen, 2000), although there are variations within the larger picture as children from some communities are faring better than others.

While most Canadian politicians would be reluctant to discuss such issues in public for fear of being politically incorrect and perhaps losing votes, Australian leaders are not afraid to raise them. Recently the Australian Minister of Citizenship, Gary Hardgrave, expressed concern that concern that language barriers between migrants and their Australian-born children had contributed to crime problems in ethnic communities (The Courier Mail (Brisbane), July 16, 2002).

The importance of monitoring the entry of refugee claimants (or asylum seekers, as they are called in the United States) relates to the fact that most known international terrorists in Canada have entered our territory or sought to remain here by claiming refugee status. A detailed description of the problem and its implications for our relations with the United States are provided in a paper I delivered at the Royal Military College in Kingston, Ontario, in March 2002. The Fraser Institute will release an updated version of this paper later this year.

One of the absurdities of the argument that language requirements would be racist because they favour immigrants from English-speaking countries is the fact that there are more non-white English-speaking countries than white ones.

One of the most comprehensive analyses of the extent to which the federal government claims to ascertain the concerns and interests of Canadians in general but, in fact, listens primarily to special interest groups that more often than not support the government’s policies is contained in Campbell, 2000, in the chapter “The Consultation Fraud.” In it, Campbell spells out in detail how, over the past two decades, successive governments have claimed they sought the views of the Canadian public on immigration and refugee issues when in fact virtually all the hearings they conducted were heavily loaded with advocacy groups whose views represented only a small portion of the population.

Quoted in Stoffman, 1992, p. 9. Papademetriou was at the time Director of Policy and Research for the US Department of Labor.
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Further reading

The most comprehensive book on Canadian immigration and refugee issues currently available is:


Two more books of importance on these subjects will be published this fall. They are:


Articles on immigration and refugee issues published by the author of this paper include:

“Shout it out! Ottawa is silencing a historic immigration debate,” Vancouver Sun, April 30, 1998.


“We are too soft on bogus refugees,” Vancouver Sun, July 28, 1999.


“Putting right the welcome mat,” National Post, June 20, 2000.


“Refugee claimants riot: are they being unfairly treated?” Vancouver Sun, June 15, 2000.


“Immigration won’t solve the problems facing an aging Canada,” Vancouver Sun, April 12, 2001.


“Political will needed to guard the border,” National Post, October 22, 2001.


“Immigration should serve Canada’s interest,” National Post, January 17, 2002.


About the Author

Martin Collacott served for more than 30 years with the Department of Foreign Affairs and International Trade. In the first part of his foreign service career he was assigned to the International Control Commission in Indochina, Hong Kong, Beijing, Lagos, and Tokyo, as well as Ottawa. During this period he also served as the Chinese-speaking member of the Canadian team which negotiated the establishment of diplomatic relations with the People’s Republic of China. Later he was High Commissioner to Sri Lanka and Maldives, and Ambassador to Syria, Lebanon, and Cambodia and, at headquarters, Director for Latin America and Director General for Security Services.

Prior to joining Foreign Affairs, he worked in Toronto as a YMCA secretary, with the Ontario Department of Education and for five years in North Borneo as a CIDA adviser responsible for the teaching of English as a second language in Chinese schools. Since his retirement he has been involved in a number of projects in Asia in the fields of human rights, governance, and conflict resolution.

His interest in immigration began with his work for the Ontario government, when he was responsible for the teaching of English and citizenship to newcomers throughout the province. He also has a personal interest in the subject in that his parents were both immigrants and his wife is an immigrant from Asia. In recent years he has written and spoken extensively on immigration and refugee issues and has appeared before parliamentary and congressional committees in Ottawa and Washington.