

# IMMIGRATION AND DIVERSITY IN CANADIAN CITIES AND COMMUNITIES

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

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

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

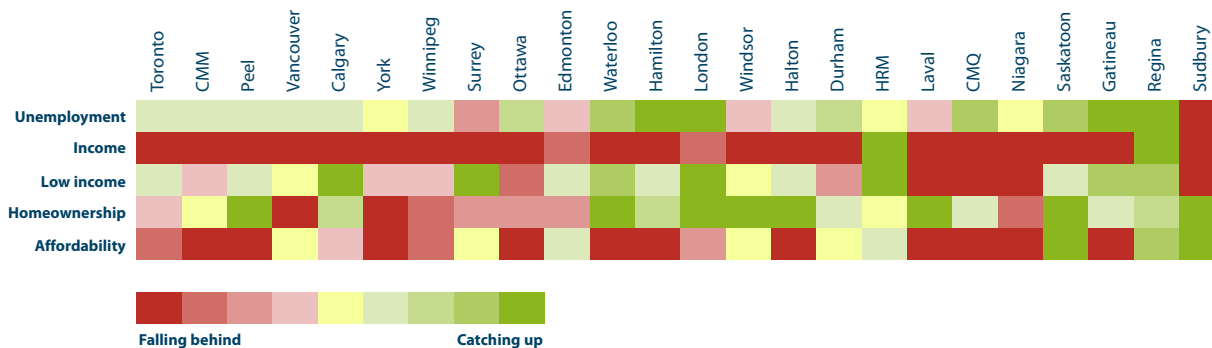
## The report in brief

The report focuses on trends and issues related to immigration and diversity in Canada's largest municipalities, regional municipalities and metropolitan communities from 2001 to 2006. For the purposes of the report, the population of the communities studied<sup>1</sup> has been divided into three categories:

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

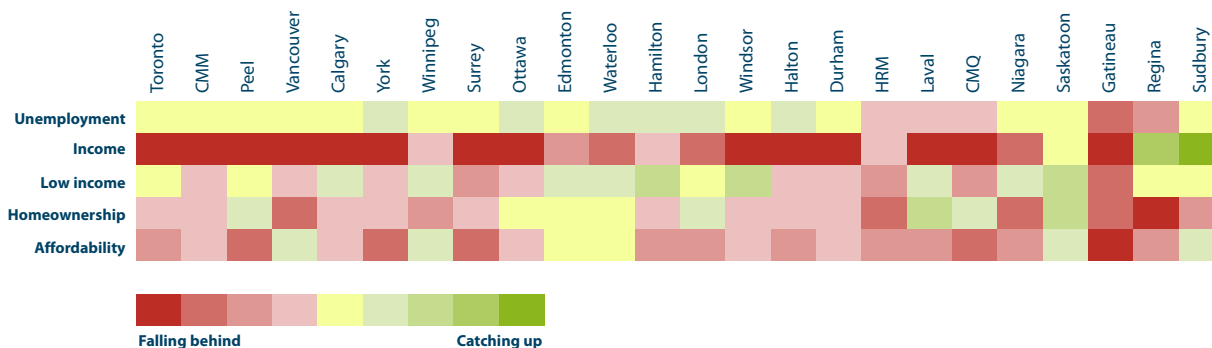
<sup>1</sup>These communities include the 23 communities that are members of the Quality of Life Reporting System, plus Windsor, Ontario.

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



Source: Statistics Canada, Census Division, Custom Tables

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



Source: Statistics Canada, Census Division, Custom Tables

## Part I | Immigration Settlement Patterns

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

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

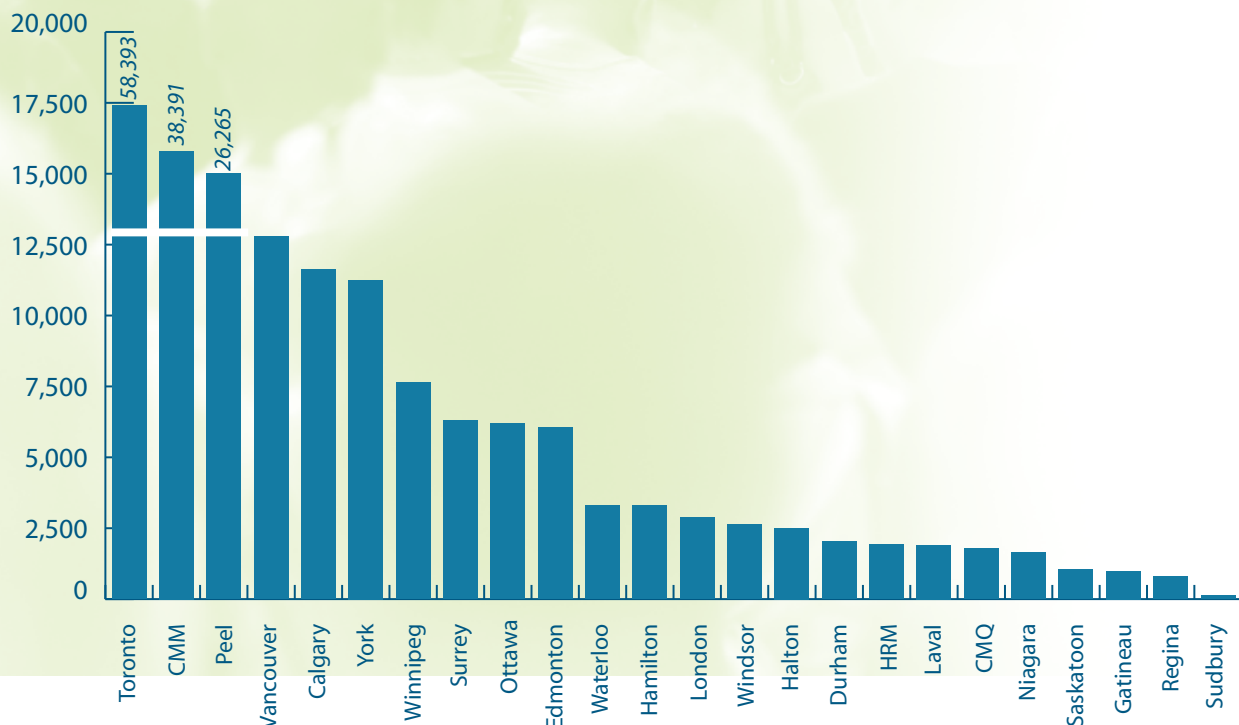
Within QOLRS communities, Canada's biggest cities and traditional immigrant-receiving centres are experiencing measurable erosion of their share of immigration. While the cities of Toronto, Montreal and Vancouver continue to receive the majority of immigrants, both recent immigrants and established immigrants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

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

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

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

Total immigrant landings, all communities, 2006

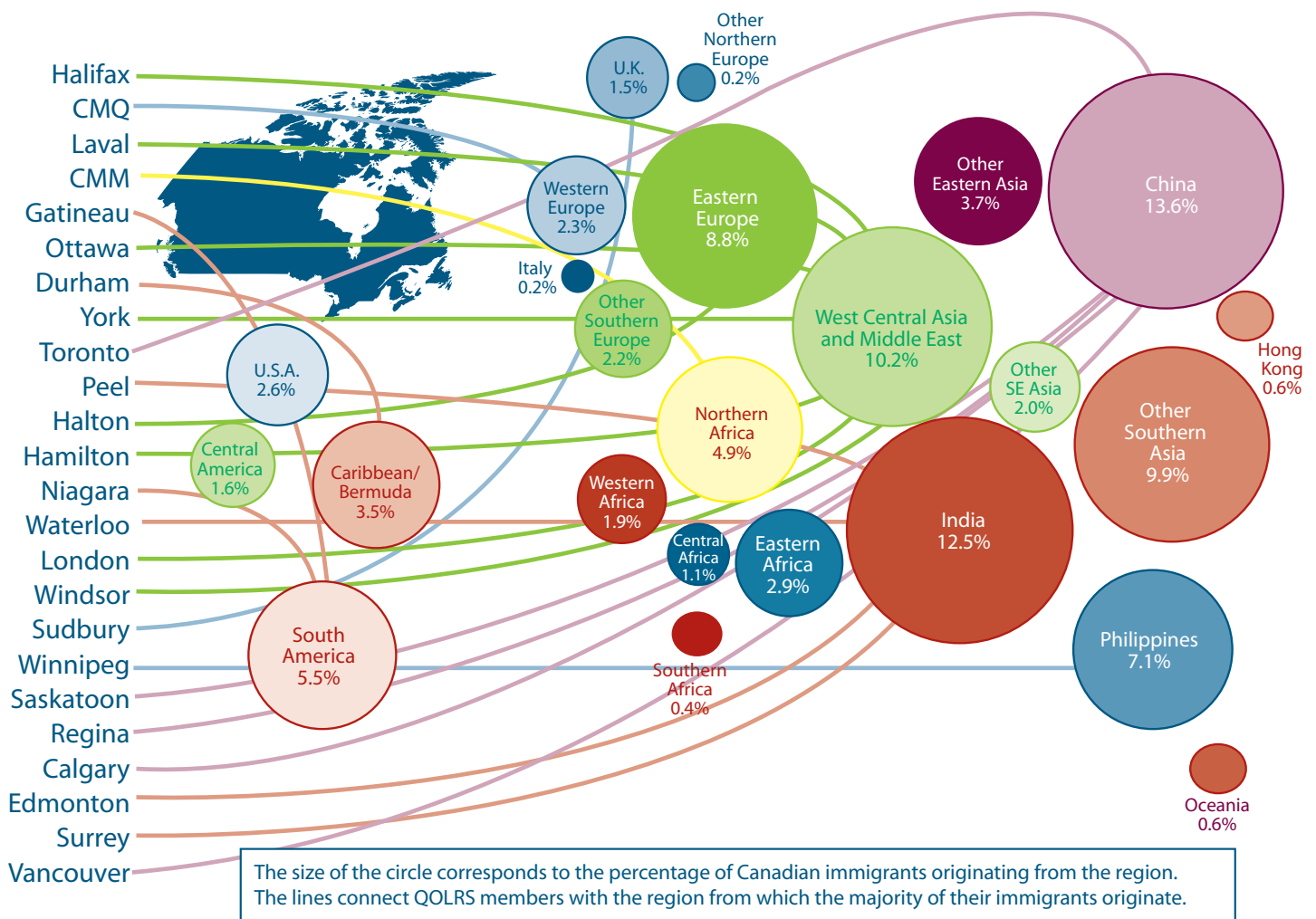


Source: Citizenship and Immigration Canada, Immigration Statistics Division

## Part 2 | Diverse and Welcoming Communities

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

Place of origin of recent immigrants, all communities, 2006



Source: Statistics Canada, Census Division, Custom Tables

### Part 3 | Employment and Labour Force Integration

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

Several factors should be considered.

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

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

### Part 4 | Basic Needs of Recent Immigrants

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

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

### Part 5 | Catching Up and Closing the Gap

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

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

### The Quality of Life Reporting System

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

*An online version of this report is available at [www.fcm.ca/QOLRS](http://www.fcm.ca/QOLRS)*

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