

# ***Canada's Regionalization Challenge***

## ***Big geography, small population***

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Australia and Canada, both countries with a lot of geography and relatively small populations, know that most immigrants are going to their major cities, to the metropolises, while the smaller centres that might like to get some, simply aren't, or aren't getting them in the numbers they would like. Thus we have a policy discussion in both countries around this theme, and for which we have employed the word, "regionalization"<sup>1</sup>.

The regionalization debate - or perhaps "challenge" would be a better descriptor - occurs against an interesting backdrop in the experience of most countries participating in the Metropolis Project. Many developed countries are on the brink of dramatic population decline occasioned by low birth rates<sup>2</sup>. This fact, coupled with their aging populations, makes for interesting questions about their future. Canada with about 32 million people and a current birth rate of 1.5 [live births per female], is projected to continue to grow until mid-century, adding about 15 percent or 5 million – and then see its population begin to decline. This assumes continuance of an immigration program that currently is tending to bring in numbers equivalent to about .7 of one percent of Canada's population base each year.

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<sup>1</sup> The purpose of this paper is to give an overview of immigration policy and efforts in Canada with particular reference to "regionalization". Regionalization tends to be spelled with a "z" in Canada, and with an "s" in Australia.

<sup>2</sup> Rates have been trending downward for many years, and often are as low as 1.2 live births per female. The United States is currently an exception at 2.1, a rate deemed by demographers as sufficient to sustain a population.

While Canada's population inches upward, 45 percent of its urban centres are already declining in population. When one looks at immigration, seventy-three percent of the 1.8 million immigrants that arrived in Canada between 1991 and 2001, settled in Toronto, Montreal and Vancouver. Add in the Alberta big-growth cities of Calgary and Edmonton, and you find that over 90 percent of immigrants are now going to these five mega-cities<sup>3</sup>.

The consequences resulting from these reciprocal trends – growth in the biggest cities and a tendency to decline elsewhere – become as challenging as they are obvious. It is not my intention to list these. They will create important policy questions to be sure. Into this mix comes the inevitable notion of regionalization of immigration as an ameliorating factor to the “negative” trends of the present. How do you get people to go to the smaller centres, and how do you get them to stay there?

The smaller centres, the ones that are not receiving many immigrants, that may indeed also be experiencing out-migration, thus become in some ways, if not a microcosm then at least a metaphor for what may lie ahead for the developed countries of Metropolis. How do you deal with the threat, if not the reality, of a declining population? Or an aging population? How do you maintain and manage your institutions in the face of probable economic decline?

There are three possible scenarios: 1) you learn to manage decline; 2) you import temporary migrants; or 3) you seek to stem the tide by attracting and retaining

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<sup>3</sup> However, in 2003, Winnipeg, in the Province of Manitoba and a city only two-thirds the size of either Calgary or Edmonton (each approaching one million), exceeded Edmonton in its number of immigrant arrivals, thus demonstrating how an aggressive immigration strategy can succeed.

immigrants. The regionalization thrust is predicated on the last of these three options. It may of course be an exercise in futility, just whistling in the dark as tectonic forces shift population geography. There are already those who say that nothing can be done, that what will be, will be.

Australia and Canada are well known as aggressive immigrant receiving countries. Both have a similar percentage of foreign-born citizens – in the 17-18 percent range. No other country equals this. It is not surprising then that Canada and Australia are looking seriously at strategies for regionalization as they continue along their immigration paths. These are two countries that apparently will not go gently into the night of demographic doom.

### ***Regionalization: controversy and competition***

As interest in regional immigration has grown, it has entered the agendas of meetings of Canada's Federal, Provincial and Territorial<sup>4</sup> immigration ministers<sup>5</sup>. Such meetings are a new occurrence, having begun in 2002, and from the outset have supported the notion of "sharing" or "spreading" the "benefits" of immigration.

In June of 2001, some 400 delegates attended Canada's First National Settlement Conference<sup>6</sup>. It was funded by the Federal government, and participants were drawn from the leadership of immigrant settlement organizations, from Canada's

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<sup>4</sup> In addition to the Federal government in Ottawa, Canada has ten provinces and three territories, for a total of fourteen elected governments above the municipal level.

<sup>5</sup> Not all provinces and territories have a separately identified immigration portfolio, and this responsibility is therefore assigned to some compatible ministry.

<sup>6</sup> The conference was held at Queen's University in Kingston, Ontario.

Federal immigration service, and from the appropriate branches of provincial governments, with the purpose of looking at a number of issues surrounding the settlement and integration of immigrants, and developing some common approaches. One of the working groups created in consequence became the National Working Group on the Small Centres Strategy (the “regionalization” idea). Over the course of the months following and leading to the Second National Settlement Conference in October, 2003<sup>7</sup>, this working group developed a discussion paper on the topic<sup>8</sup>. Following the second conference, the working group has engaged in the development (again with Federal government financial support) of a manual or “Tool Box” for the use of smaller centres wanting to attract and retain immigrants<sup>9</sup>.

While the official chorus has therefore supported regionalization of immigration, there has been scattered opposition. When former Minister of Immigration, Denis Coderre, suggested the possibility of having would-be immigrants sign “social contracts” of commitment to settle, for a term at least, in one of Canada’s smaller centres as a means of gaining permission to immigrate, there was a storm of protest. Commentators and editorialists took up the issue, and didn’t like it. Canadians have a strong belief in freedom of movement within the country, and this is enshrined in Canada’s Charter of Rights. Any attempt to infringe on this “mobility right”, even as the price of admission to the country, was viewed with suspicion, if not outright hostility. The notion was quickly abandoned, and one hears little of it now.

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<sup>7</sup> The second conference was held in Calgary, Alberta, again under Federal government auspices, and attended by a similar number of delegates from the tri-partite “settlement sector” as in Kingston.

<sup>8</sup> “Strengthening our Settlement Vision, The Small Centre Strategy (The Regional Dispersion & Retention of Immigrants)”. The paper was written by the author hereof, and is available at <http://integration-net.cic.gc.ca/inet/english/vsi-isb/conference2/working-travail/index.htm>

<sup>9</sup> The manual or Tool Box is expected to be available on CD-ROM by the spring of 2005; a preliminary draft will be demonstrated at the Ninth International Metropolis Conference, Geneva, September 29, 2004.

Curiously, Canada issues over 80,000 permits annually to temporary workers needed to fill gaps in the labour market<sup>10</sup>. The number of temporary workers within the country at any point in time approximates 200,000. All of these have practical restrictions on their mobility because of the job-specific nature of their work permit. There is no general criticism of this reality, seen as a term of their admittance. Now there is an indication that Provincial Nominee Programs<sup>11</sup> may be employed to permit temporary workers to cross over into permanent resident status, all of which suggests that it is the way a “social contract” is packaged that determines public reaction.

While immigration ministers have voiced their support of the concept of regionalization, there has been hesitancy in some quarters. The big cities of Canada are aware that their prosperity has occurred in consequence of their rapid and substantial growth, and that continued prosperity may well depend on more of the same. There is no apparent sentiment in these large cities in favour of a thesis that it would be better if their growth were to be curtailed. The government of Canada’s most populated province, Ontario, recently<sup>12</sup> announced that it “is setting a course for a future that will ensure strong, prosperous communities...”, expecting in the process to welcome four million more

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<sup>10</sup> In 2003 Canada issued over 87,000 temporary work permits, the largest number being for general farm workers, followed by nannies and live-in caregivers.

<sup>11</sup> Provincial and Territorial governments are able to enter into agreements with the Federal government that bestow on them limited permission to craft immigration strategies appropriate to their needs, all within the context of the Federal rules. A number of so-called Provincial Nominee Programs have thus been created. These agreements are not uniform, for they depend on bilateral negotiations, and of course the goals and capacities of the provinces and territories. Manitoba now has a focus on temporary workers as a source of immigrants, and is moving through its Provincial Nominee Program and in cooperation with employers to facilitate their obtaining permanent resident status without having first to leave the country, as is the general rule that operates to prevent “inland” immigration applications.

<sup>12</sup> Fact Sheet, August 22, 2004, Ministry of Municipal Affairs and Housing, Ontario.

newcomers in the next 30 years, and lest there be any doubt of its approval, noting that “the province remains a primary destination for newcomers, receiving about 60 per cent of all immigrants to Canada.” The major immigrant-receiving centres appear to expect and to welcome the continuance of their immigrant-fueled growth.

The Canadian Council for Refugees is the preeminent non-government advocacy group in Canada on all matters relating to both refugees and immigrants<sup>13</sup>. It is an umbrella organization whose members are all non-government organizations in their own right. Its semi-annual “Consultations” pass policy resolutions that direct the subsequent actions of the Council in its dealings with government and in its public stances. A recent attempt to pass a resolution in support of the concept of regionalization, met with difficulty, particularly due to the opposition of delegates from the large cities based mainly on the “mobility rights” argument. A subtext however was concern for the provision of settlement funds from the Federal Government, and the possibility that regionalization would divert important funding from large agencies (that depend upon it) to smaller centres. The issue of adequate funding for settlement services is of course one that will dog any serious attempts at regionalization, but it can be seen that even amongst the membership of an advocacy organization with a social activist agenda, there is no unanimity of support for the aspirations of smaller places.

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<sup>13</sup> The CCR’s three “working groups” illustrate the role of the Council: Inland Protection deals with issues of asylum seekers and those facing deportation; Overseas Protection and Sponsorship deals mainly with issues around Canada’s annual admittance of about 10,000 selected and sponsored refugees; Immigration & Settlement deals with settlement issues for immigrants (including refugees), and with matters of immigration policy.

For their part, the six Canadian provinces<sup>14</sup> that are not listed among the top four<sup>15</sup> in population growth, that are receiving maybe eight per cent of all immigrants arriving annually, are beginning to be concerned. Barely holding their own now in population terms, or even slipping behind, they see the demographic and economic projections of their future as pessimistic, especially if one subscribes to the benefits of a growth, or at least of a status quo, scenario.

It is apparent then, that in the current atmosphere, a competition for immigrants is brewing in Canada despite the collective statements of the ministers about the desirability of regionalization, but it has yet to erupt. The National Working Group (supra) meanwhile is pressing ahead with its “Tool Box” project, intending to offer it to self-defining “small centres” that may choose to employ its devices.

### ***Provincial initiatives***

It cannot be said that the four large provinces (in terms of immigrant arrivals) are disinterested in immigration strategies. Quebec has long been a special case in immigration terms, having negotiated its own arrangements with Ottawa as a concomitant of its unique character and place in the Canadian federation. It has a particular and understandable concern to attract francophone immigrants, and is involved in overseas selection priorities and processes for all classes of immigrants. Within the province, Quebec’s government has engaged in its own strategies to achieve some dispersion of immigrants to urban centres other than Montreal, albeit with limited success. Of course, the attraction of Montreal<sup>16</sup> as

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<sup>14</sup> The six, from east to west: Newfoundland and Labrador, Nova Scotia, Prince Edward Island, New Brunswick, Manitoba, Saskatchewan.

<sup>15</sup> The four, in descending order of immigrant arrivals: Ontario, Quebec, British Columbia, Alberta.

<sup>16</sup> Usually Montreal receives 13 – 15 percent of Canada’s annual inflow of immigrants

well as the initiative of Provincial staff members, have ensured that Quebec annually receives significant numbers of immigrants.

For Alberta and British Columbia, attracting immigrants has not been a concern. They arrive anyway. Alberta's preoccupation is with settlement issues, and the Provincial government has developed programs and committed resources to the work. In British Columbia there is concern for in-province regionalization, and the Province's immigration section is working on development of its own electronic manual for assisting small centres. In Ontario, the huge annual inflow of immigrants (exceeding half of the Canadian total) goes mainly to the Greater Toronto Area, and spills into the adjacent Niagara peninsula. But Ontario, like Canada, has a lot of geography, and large sections of the province do not participate in the "benefits" of immigration. It can be anticipated that this will become an issue as Ontario's smaller centres begin to reflect concern for their plight within the context of the government's recently announced (supra) and general goals.

Among the six smaller provinces (by immigrant arrivals)<sup>17</sup>, Manitoba is the leading player, in terms of innovative and complete strategies, commitment of resources and in over-all aggressiveness<sup>18</sup>. It is also in the lead in immigrant arrivals by a wide margin<sup>19</sup>. It aims to reach 10,000 annual immigrant arrivals by 2006, a fifty percent increase over the 2003 total. The principal component of its success is the Provincial Nominee Program, a title typically employed in the

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<sup>17</sup> Useful government web sites are maintained by Ottawa and all provinces and territories through which immigration information can be accessed: Canada: [www.cic.gc.ca](http://www.cic.gc.ca); Alberta: [www.gov.ab.ca](http://www.gov.ab.ca); British Columbia: [www.gov.bc.ca](http://www.gov.bc.ca); Manitoba: [www.gov.mb.ca](http://www.gov.mb.ca); New Brunswick: [www.gnb.ca](http://www.gnb.ca); Newfoundland & Labrador: [www.gov.nf.ca](http://www.gov.nf.ca); Northwest Territories: [www.gov.nt.ca](http://www.gov.nt.ca); Nova Scotia: [www.gov.ns.ca](http://www.gov.ns.ca); Nunavut: [www.gov.nu.ca](http://www.gov.nu.ca); Ontario: [www.gov.on.ca](http://www.gov.on.ca); Prince Edward Island: [www.gov.pe.ca](http://www.gov.pe.ca); Quebec: [www.gouv.qc.ca](http://www.gouv.qc.ca); Saskatchewan: [www.gov.sk.ca](http://www.gov.sk.ca); Yukon: [www.gov.yk.ca](http://www.gov.yk.ca)

<sup>18</sup> Manitoba's dedicated web site (9.3 million hits recorded in 2003) is [www.immigratemanitoba.com](http://www.immigratemanitoba.com)

<sup>19</sup> Manitoba immigration (all categories) has grown from 4588 in 2001, to 6496 in 2003.

negotiated arrangements between individual provinces and Ottawa, and referring to those independent immigrants who qualify under Federal selection criteria as modified by a province's own criteria, and are hence "nominated" by the province for admittance by Ottawa. A secondary component of Manitoba's success is the large number of sponsored refugees landed each year, sponsored in approximately equal numbers by the Federal government and by private sponsors under a program unique to Canada.<sup>20</sup> It is recognized that Manitoba's success has come about because there is general public consensus that the province has a demographic need occasioned by past out-migration, by a typically low birth rate and aging populace, and by a healthy economy with low unemployment<sup>21</sup>. An aggressive immigration strategy is not a political issue, and has been supported by successive governments over the past decade<sup>22</sup>.

New Brunswick too has an agreement with Ottawa, but to date has chosen to focus on the Business Immigrant program as part of an economic development strategy<sup>23</sup>. As an indication that it is contemplating a move to embrace a wider population strategy, it held its first immigration conference in June 2004, in conjunction with celebration of the 400<sup>th</sup> anniversary of establishment of the first French settlement in North America, in 1604, on Isle St. Croix in Passamaquoddy

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<sup>20</sup> Total of Federal and privately sponsored refugees landed each year in Manitoba is about 1,000. Canada's Private Sponsorship of Refugees Program lands about 3,000 refugees each year across the entire country; the Federal-sponsored refugees number about 7,300 each year. The Manitoba initiatives are described in "Understanding Private Refugee Sponsorship in Manitoba" by the author hereof, published in the Journal of International Migration and Integration, Volume 4, Issue #2.

<sup>21</sup> Manitoba's unemployment rate typically runs in the 4.5% to 5.2% range, making it consistently the lowest or one of the lowest in Canada where the national average unemployment rate hovers around 7.8%.

<sup>22</sup> On May 3, 2004, Manitoba's Minister of Labour and Immigration, Hon. Nancy Allen, in announcing enhanced program initiatives, also announced a 10% increase in expenditures for immigrant settlement and language training, to \$7.5 million, and a "modest staffing increase". The Province now employs 43 in the immigration section, which does not include staff for the Business Immigration program that the Province treats as economic development, houses separately and outside the bounds of its immigration strategy.

<sup>23</sup> New Brunswick employs 10 people in its focus on Business Immigrants.

Bay that divides New Brunswick from the State of Maine<sup>24</sup>. Whether New Brunswick will now move more proactively in the manner of Manitoba, remains to be seen.

Nova Scotia also has an immigration agreement with Ottawa, but is currently doing very little with it<sup>25</sup> beyond a minor focus on Business immigrants where it works primarily through private immigration consultants. Its immigration office falls under the Education department, and is staffed with only two people. An immigration conference billed as the first in Nova Scotia, was held in Halifax, in April, 2003. Significantly, it was coordinated by the local NGO settlement agency<sup>26</sup>, but received funding from Federal and Provincial (Nova Scotia) departments as well as from other sources. In January, 2004, the economic development entity in Nova Scotia's Cape Breton region commissioned a consultant's study on an immigration strategy for the region that was received in March<sup>27</sup>, but it has yet to make any further moves. Most significantly, in August 2004 with an announcement by the Premier, Nova Scotia released a "discussion paper" entitled a Framework for Immigration<sup>28</sup> that is a comprehensive survey of the population issue and potential strategies for dealing with it. Discussion and debate has been invited, and the months ahead could prove interesting as Nova Scotia comes to grips with its regionalization challenge.

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<sup>24</sup> The conference entitled "Rendez-vous Immigration 2004 Rendezvous" was held in St. Andrews NB, June 24 & 25, 2004. It was noted that no political figures or senior government policy people were in attendance. The author hereof was a participant and presenter. Publication of the conference papers is anticipated in 2005.

<sup>25</sup> Nova Scotia receives the bulk of immigrants going into the Atlantic region, but still less than one per cent of Canada's annual in-flow. About 80 per cent of these come to the Halifax metropolitan area.

<sup>26</sup> The conference organizer, Metropolitan Immigrant Settlement Association (MISA), is the largest immigrant settlement organization in Canada's Atlantic region, and was established in 1980.

<sup>27</sup> "Populating Cape Breton – the Immigration Factor", prepared for Enterprise Cape Breton Corporation by Dan White & Associates Limited in association with Tom Denton and Bay East Solutions.

<sup>28</sup> The discussion paper can be found through the Province's web site, [www.gov.ns.ca](http://www.gov.ns.ca)

To round out Canada's Atlantic region and look at the remaining two smaller provinces, Prince Edward Island, and Newfoundland & Labrador, one needs to appreciate, first, that both the size and population of PEI are very small (160,000 people) , so that immigration or indeed a population strategy may have small relevance at this time. Second, in the case of Newfoundland & Labrador, the province has dealt with and still deals with very high levels of unemployment (in the 15 – 17 per cent range), so this reality overshadows the population picture. Nevertheless, as this paper is written, an immigration policy conference is being organized – again a “first”.

Returning to the west and to Manitoba's neighbour, the Province of Saskatchewan, there are stirrings of concern about population decline and hence about immigration. Its resource-based economy (agriculture, oil, other minerals) is not as hungry for workers as is Manitoba with a large manufacturing component, but as it has recently seen its population total slip, it is beginning to focus on the larger demographic challenges in its future. It can be anticipated that its Provincial Nominee Program will to an appropriate degree begin to emulate that of its neighbour. Saskatchewan of course has its own agreement with Ottawa. In May 2004, Ottawa and Saskatchewan announced a pilot project, under this agreement, that would, *inter alia*, allow foreign post-secondary students<sup>29</sup> who graduate in the province and get work there in their field, to apply for permanent resident status under Saskatchewan's Provincial Nominee Program<sup>30</sup>.

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<sup>29</sup> Each year Canada has about 130,000 foreign students studying in the country, and there is dawning realization that these could be a useful and readily accessible source of Canada-educated immigrants.

<sup>30</sup> Ottawa has signed similar agreements with Nova Scotia, New Brunswick and Alberta.

Canada's three northern territories have tiny populations, vast areas, and the impression of forbidding landscapes. The relevance of an immigration strategy is slight at this time.

In summary, Canada's provinces and territories are only beginning to realize that they can have an active, and to a degree at least, a self-determining role in the nation's immigration strategy as they negotiate bilateral agreements with Ottawa. With the exception of Manitoba that signed its first agreement in 1996 and has aggressively acted upon the file, the others have put tentative toes in the water. As demographic issues intensify, one can anticipate that moves toward the increasing regionalization of immigration will become stronger and more common.

### ***A national context***

Canada has no long-term population strategy. Nor does it have a long-term immigration strategy. Each year in November the Minister of Immigration announces in the House of Commons the immigration targets for the ensuing year, but there is no larger context for this announcement. There is no operative articulated vision of Canada that involves immigration as a nation-building strategy. There is slight mention made of the demographic meltdown the country faces by mid-century. In 1998, Canada's Auditor General in his annual report to Parliament, devoted an entire chapter<sup>31</sup> to the coming demographic challenges, and what it could mean for future government revenues without continuing high levels of immigration. The Auditor General recommended that the government

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<sup>31</sup> The 1998 report of the Auditor General can be accessed at [www.oag-bvg.gc.ca/domino/reports.nsf/html/98menu\\_e.html](http://www.oag-bvg.gc.ca/domino/reports.nsf/html/98menu_e.html)

inform Parliament, and through its Members, the people of Canada about the threat. The chapter received little prominence at the time, and has since quietly disappeared from view<sup>32</sup>.

The history of immigration in Canada has been a seesawing between those who saw it as a nation-building strategy with long-term political, demographic and economic goals, and those who saw it as a short term or current labour market economic tool with a focus on absorptive capacity. In the early twentieth century, nation building clearly topped the agenda. In more recent times there has been a conscious effort to look at labour market needs, and to try to match inflows to economic cycles. In the early-to-mid 'eighties recession, for example, immigration levels dipped very low. Canada did not, however, cut back immigration numbers during the labour market difficulties of the 1990's, and the numbers remained relatively high, suggesting the long-term view (or perhaps the bureaucratic rigidity of overseas staffing and processing practices). But Ottawa has continued to emphasize screening techniques that would select "skilled workers" (despite developing criticism of the appropriateness of this practice), suggesting the continuing strength of the labour-market-driven view.

The current national immigration strategy is essentially a reactive one that implicitly acknowledges the pressure from within Canada and at its gates, and controls it by limiting the overseas processing resources. Canada's posts overseas are currently staffed to process 185,000 immigrants a year<sup>33</sup>. The fact that annual landings are in the 200,000-plus range is because of in-Canada processing of

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<sup>32</sup> In the Fall of 2002, the then Minister of Immigration, Hon. Elinor Caplan, was not even aware of its existence.

<sup>33</sup> Of this total, 60% is assigned to the Economic Classes of immigrants (Skilled Workers, Business Classes, Provincial Nominees) and 40% to "humanitarian" classes (Family Class and Refugees). Within the latter, only about 10,300 annual spaces are assigned to refugees, 7,300 Government Sponsored, and 3,000 Privately Sponsored.

successful asylum seekers, and humanitarian and compassionate in-Canada landings in categories like spousal sponsorships. If Canada is ever to move to the higher immigration levels that some demographers have proposed as appropriate (in the 300,000 to 400,000 range annually), then there will need to be political will, public support, and adequate budget provisions. The closest Canada has come to enunciating this in some official way, came in the 'nineties when the election manifesto of the now-governing Liberal Party, the so-called "Red Book", advocated annual immigrant inflows equivalent to one per cent of population. Acknowledgement of this goal continues to crop up, but never as part of official policy, and Canada is far from achieving the 320,000 figure this would require.

The great realities overshadowing any significant Canadian regionalization strategies are the internal competitive environment for immigrants (implicit today, but likely more overt in future), the mobility rights of Canadians, and the largely unrecognized reality of the lack of committed resources, both overseas for processing and in Canada for settlement.