Conversation Series 10

Immigration Levels

EXECUTIVE SUMMARY

On June 26th, Citizenship and Immigration Canada's Strategic Planning Group, together with the Metropolis Project, hosted a daylong "conversation" on immigration levels involving academics and policymakers. The aim of the workshop was to assist federal officials in their annual task of developing immigration levels options.

Rationales for Canada's immigration levels

The "conversation" began with the question of why Canada wants immigrants and what the country is trying to achieve. Surprisingly, establishing a clear program rationale proved difficult. The two rationales commonly offered for Canada's high immigration trajectory – that Canada needs more skilled labour and that the country needs to offset the effects of declining fertility - are both flawed and are not supported by credible research. NAFTA, which allows Canadian industry to achieve economies of scale without a large domestic population, and the development of Canada's educational infrastructure have obviated historical reasons for having large scale immigration.

According to participants, there is little evidence that immigration accelerates economic growth and increases per capita GDP. Major studies out in Canada, the United States and Australia were cited to support this view. The relatively neutral impact of immigration on per capita GDP can be attributed to the fact that population has been increasing faster than capital has been accumulating. Claims that immigration significantly boosts trade and technological innovation were not felt to be well founded.

Participants also pointed out that immigration would not help to finance pensions. While immigration could prevent Canada's population from shrinking, reversing population aging would require huge, and politically implausible, increases over current immigration levels. Indeed, several participants suggested that a smaller population would reduce congestion and improve the quality of life in major cities.

Metropolis Conversation Series

The Metropolis Conversation Series brings together researchers, public servants, business leaders, policymakers and community leaders to identify and explore current public policy debates. Each conversation is a closed and highly focused meeting promoting candid face-to-face exchanges. The gatherings are small -usually 15 to 20—consisting of carefully chosen people who share common interests, but whose perspectives vary substantially. The reports resulting from the conversations are available at: http://www.canada.metropolis.net

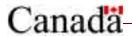
About Metropolis

The Metropolis Project was conceived in 1994 and launched in 1996. It aims to improve policies for managing migration and diversity by bringing scientific expertise to bear on policy development; and by involving policymakers, researchers and NGOs in all of their initiatives. Metropolis' goals are to:

- enhance academic research capacity;
- focus academic research on critical policy issues and policy options; and,
- develop ways to facilitate the use of research in decision-making.

The project has been structured as a partnership with both domestic and international components. It holds national and international conferences, workshops, seminars and roundtables to encourage communication between interested stakeholders. To register for upcoming events visit:

www.metropolis.net



While immigration may not be a panacea, it still produces economic benefits, especially for immigrants whose Canadian earnings far exceed what they earned in their former homes. Some participants viewed this as an important economic policy rationale. They were nevertheless reluctant to categorize immigration as a major instrument of economic policy. Concern was expressed about rising immigrant poverty and the prospects for continued improvements in immigrant labour market integration.

In seeking a clear rationale for immigration levels policy, participants noted that public and political discussions often focused on the following points:

- immigration is an expression of nation building, reflecting the kind of society that Canadians want: diverse, tolerant, multicultural and generous;
- Canadians expect population growth and see immigration as the means to achieve it;
- · Canada has a distinguished tradition of humanitarian and refugee immigration;
- Canadian leadership on immigration translates into political influence internationally; and,
- immigration is vital to addressing niche economic needs.

Questions were raised about whether these rationales enjoyed broad popular support. Three additional points also bear mention. First, that there was universal support for maintaining a balanced program that responds to multiple objectives: social, economic, demographic and cultural. Second, that even without a strong economic or demographic rationale, participants did not call for a sharp reduction in levels. Third, participants agreed that better ways were needed to measure the less tangible benefits of immigration.

The two rationales commonly offered for Canada's high immigration trajectory – that Canada needs more skilled labour and that the country needs to offset the effects of declining fertility - are both flawed and are not supported by credible research.

What should guide Canada's immigration levels in the future?

Two complementary sets of ideas were proposed to guide immigration levels setting. The first focused on the extent to which immigration advances desirable political, social, economic, demographic and moral goals. The second focused on problematic outcomes that are associated with constraints on immigrant absorptive capacity.

Underlying the first set of ideas - *managing immigration with reference to goals* - were three interlaced views of the program:

- (i) That immigration is rights based and that immigration levels should reflect projected uptake of those rights by prospective applicants. The rights in question involve family reunification and various protection measures linked to humanitarian entry;
- (ii) That immigration is a service and that immigration levels should reflect "client" demands. Clients include Quebec-selected immigrants, provincial nominees and domestic employers; and
- (iii) That immigration represents a high level political objective consistent with its nation building character.

This position supports "visionary" goals such as the onepercent target espoused by the government. By and large, workshop participants supported the idea of a visionary goal.

The second set of ideas focused on managing immigration by monitoring its impact on both host and immigrant populations. According to this view, immigration levels can be maintained or increased as long as selected indicators (of consequences) remain positive or neutral. Participants advocated using both qualitative and quantitative measures.

Two complementary sets of ideas were proposed to guide immigration levels setting. These were: 1) managing immigration with reference to goals and 2) managing immigration by monitoring its impact on both host and immigrant populations.

The proposed list of indicators included economic, social, demographic, attitudinal and security measures. Negative outcomes, as reflected by these measures, would signal the government to review and, if necessary, scale back its planned immigration levels trajectory. In the absence of negative signals, immigration levels could be maintained or increased in support of government policy objectives.

Participants expressed a number of cautions regarding the use of the proposed indicators:

- the indicators can be interpreted either as signals to move levels down *or* as signs that more effort should be devoted to integration;
- local, as well as national, indicators of impact should be employed;
- negative outcomes can be mitigated, and levels maintained, by redesigning policies so as to achieve better results (e.g. better regional distribution) and avoid contributing to existing social cleavages;
- more attention needs to be paid to public opinion and to public education because of the vital role the public plays in regards to immigrant integration;
- the emergence of immigrant ghettos or significant public resistance to immigration should lead to sharp policy revisions.

Other Metropolis Conversations Conversation ONE: **Absorptive Capacity** Conversation TWO: **Second Generation Immigrants** Conversation THREE: Health Conversation FOUR: Brain Gain, Brain Waste, Brain Drain Conversation FIVE: Recent Economic and Social Performance Outcomes of Immigrants Conversation SIX: Growing up in Cities: Creating Better Cities with Children and Youth Ethnicity and Labour Markets in Canada: A Research Agenda Conversation SEVEN: Conversation EIGHT: Foreign Skills Recognition and Federal Public Service Employment Conversation NINE: The Regionalization of Immigration

The views expressed in this document do not necessarily reflect those of the Metropolis Project or the Department of Citizenship and Immigration Canada.

All reports are available online at: http://www.canada.metropolis.net