

---

## **Foreign Experience of Regulation of Migration Processes by the Example of the Migration Policy of Canada**

---

Yulia Igorevna Prytkova<sup>1</sup>

**Abstract:**

*In the article, the author examines the immigration experience of Canada, makes key findings about past and current immigration policies, provides historical insight into the essence of the problem of immigration, and analyzes its perspectives against the background of future challenges.*

*The author also offers recommendations regarding possible settlement of the issues within this policy area.*

**Keywords:** *migration to Canada, unemployment, refugees, assimilation of migrants, migration law.*

**JEL Classification:** *K37, O15*

---

<sup>1</sup>*Administration for Migration Issues of the General Administration of the Ministry of Internal Affairs of Russia for St. Petersburg and the Leningrad Region, 191028, Russia, St.Petersburg, Kirochnaya St. 4A*

---

## **Introduction**

Today's standard of living in Canada and the international reputation of a prosperous developed country are due to immigration to a certain extent. On the other hand, despite the obvious contribution of immigration to the development of Canada and its history, the problem of immigration remains a matter of controversy for many residents of the country. Be it a concern about the ability of the Canadian economy to accept and provide conditions for entrants or anxiety about the cultural identity of Canadians, immigration is still among the constant topics for debate.

The objectives of immigration policy in Canada and the regulations governing the implementation of this policy were not always the same. The history of immigration to Canada does not fit into the narrative of the ordered population growth. The immigration process was characterized by great fluctuations as at various times the country's government tried to solve specific problems, acting in different economic, political and social circumstances. The result of this approach has led to sharp ups and deep downs in the immigration level. These amplitude fluctuations are largely due to one of the most prominent features of the Canadian immigration policy. During the history of Canada, its borders were opened and closed, depending on the country's needs and the prevalence of social, political and international circumstances.

## **Rationale**

For historical reasons, Canada's immigration policy is closely linked to the requirements of the economy, especially to the needs for labor resources. More precisely, immigration policy is formed by a combination of a number of factors, including foreign policy, lobbying by groups with special interests, constitutional and bureaucratic pressure, demographic realities as perceived by the government and the general perception of the country's ability to provide assimilation of immigrants (Troper, 1997). Meanwhile, regardless of the importance of these factors, it is widely believed that Canada constantly needs foreign workers, both skilled and unskilled ones, to participate in the economic development of the country (Avery, 1985).

Indeed, throughout much of Canada's history, immigration policy was a key element of its labor market formation strategy (Tuohy, 1992). It considered that economic determinants, largely than other factors, have had an impact on the formation of the nature and direction of Canadian immigration policy during the past century. Although this is only one of the arguments, it seems to outweigh all the others.

Throughout much of Canada's history, immigration levels have followed the development of the national economy in one way or another. The close relationship

between immigration and economy is confirmed by comparing immigration levels with two key indicators – the annual GDP growth (adjusted for inflation) and annual unemployment rate across Canada.

In 2016, Canada accepted more than 37 thousand migrants, for a year the authorities employed more than 19 thousand people, with a maximum of 7-per-cent unemployment rate among the local population since 2013. Under the patronage of non-governmental organizations (NGOs), private foundations and a generous state program, the annual income of refugees is up to 22,000 CAD. Over 80% of immigrants to Canada are refugees from Syria torn by the civil war, followed by the Lebanese (8%); the Jordanians are on the 3<sup>rd</sup> place (5%).

First, high salaries and the liberal labor market attract immigrants. Furthermore, many national diasporas, who are ready to welcome their compatriots, play not the least role in choosing a new shelter. Ontario, the most populous and the second largest province in Canada, became a leader according to the number of refugees accepted; it sheltered about 38% of all immigrants from the Middle East. Quebec, a French-speaking province, is on the second place of the immigration rating (24%). British Columbia is the third most popular among "new arrivals" (11%).

In 2016, the unemployment rate in Canada overcame the 7-per-cent barrier – the worst result of the country's economy since the spring of 2013. According to the report of the Canadian Statistical Service, the number of jobs decreased by 5-8% for 11 months of this year. The fuel and energy sector suffered the most significant losses. Heads of energy companies were forced to optimize production by dismissing about 56 thousand employees. Record-low oil prices hit the country's budget. According to the Ministry of Finance of Canada, in November the deficit was 1.75 billion CAD, which is almost twice as much as for the same period last year (in November 2015 – 900 million CAD). In total, an excess of the Canadian fiscal expenditures over revenues in 2016-2017 (the authorities make up the budget for two years) is expected to be 22.53 billion CAD. For comparison in the period of 2014-2015, this figure was at the level of 18.5 billion CAD.

However, the growing budget deficit does not prevent the authorities from allocating generous benefits for newly arrived refugees. According to the Ministry of Social Development of Canada, a recognized refugee is eligible for a monthly allowance of 610 CAD, calculated as 375 CAD for housing and 235 CAD for food. As explained by John Romstein, Doctor of Economics, a researcher at the University of Nevada: "Justin Trudeau's mild migration policy can be costly to ordinary Canadians. Tax increase, rise in loan interest rates, cut in salaries and reduction of social programs – this is only a small part of the negative consequences that Canadian citizens will receive from "invasion" of refugees in the coming years" (Chemodanova, 2016).

---

In the 1990s there was direct correlation between the level of immigration and the unemployment rate. If the unemployment rate was falling, then in the coming years the level of immigration increased, and if the unemployment rate grew, the level of immigration fell. At the beginning of the economic recession in 1990, the level of immigration fixed by the government responded much more slowly to the growth of unemployment, and only when the unemployment rate began to decline due to the recovery following the recession, the level of immigration decreased.

Despite the fact that immigration is one of the key factors in the history of Canada, it has always been and remains a very controversial topic. The political situation, the economic health of the country and the prevailing social climate with ethnic considerations certainly can cause both complacent and negative attitude towards immigration (Dirks, 1995).

In general, however, the most powerful argument against immigration is that "immigrants hold jobs created for Canadians". This is a simple argument: at any point in time, the absolute numbers of jobs is fixed, and if immigrants hold more jobs out of this number, then fewer jobs remain for others. It is argued that such redistribution leads to higher unemployment and an increase in labor supply reduces the average wage. In addition, there is a perception that immigrants "take" more than "give", thereby creating an additional burden for taxpayers as they make use of the social programs. There is also concern that an inflow of immigrants leads to an excessive increase in the density of urban population and increased tensions between Canadians and people with other cultural traditions.

At the same time, immigration supporters argue that an increase in the population through active immigration brings practical benefits. Immigrants with high qualifications can strengthen the professional base of countries and, as representatives of a variety of cultures and traditions, they create and stimulate the development of new types of services, make experiments, show creativity, strengthen specialization and bring an element of innovation (Globerman, 1992; Bashmakov, Popov, Zhedyaevskii, Chikichev and Voyakin, 2015). Much is written about the economic benefits of immigration growth, and many of the most common economic arguments against immigration over the past decade have been disproved. Below are some of the main findings of several studies, the subject of which were the economic consequences of immigration and the economic potential of immigrants.

Redistribution of jobs does occur in some sub-sectors of economy, but its consequences are not large-scale, they are short-term. As a rule, immigrants get as much money from the state and the same scope of public services as naturalized citizens. In fact, Canadians can benefit from the income generated by immigrants.

Younger emigrants increase the tax base and help to compensate for the growing social costs due to the support of the elderly. This is a one-time benefit for citizens, since elderly parents do not usually accompany immigrants. Thus, the growth of immigration can turn into a relatively painless way of resolving the difficult contradiction between social benefits and high taxes caused by them. Within three to five years, the earnings of the immigrant's family reach the level of earnings of the average family and exceed it, since immigrant families have a favorable age composition. Immigrants are both workers and consumers.

Holding jobs, they simultaneously increase consumer demand. This leads to the increased employment. Immigrants become consumers before they become employees, so in the short term they can even help to reduce unemployment. Immigrants tend to create new enterprises largely than non-immigrants and thus directly participate in employment creation. Immigrants are not always the cause of the redistribution of jobs, but, in addition, they can actually increase productivity and improve the international competitiveness of their new homeland. The amount of taxes paid by immigrants usually exceeds the cost of social protection and training services they consume. Natural resources are ceasing to be the sources of economic wealth with every subsequent decade. A human factor – people's skills and knowledge - is the most important capital, which today's new economy needs. Immigrants bring this capital with them (Simon, 1992). Many immigrants come to Canada, being well-educated people. Thus, the host country no longer has to invest in their education, but it is immediately possible to derive benefits from their various abilities.

Although both parties of this dispute provide economic arguments, both of them still do not fully understand the nature of the costs and benefits associated with immigration. Largely, differences in opinions on this issue are explained by different perceptions of the facts. The situation is exacerbated by the government's reluctance to promote serious debates on this controversial issue, which makes consensus achieving difficult, if not impossible. The irony is that while the existing world barriers can be reduced through the conclusion of free trade agreements facilitating the easier movement of capital, goods and services, barriers to the movement of people are strengthened everywhere.

Since ages ago there is an ongoing debate on the number of immigrants Canada should host. Meanwhile, an issue of what immigrants should be allowed is no less important. Keeping control of the number and categories of immigrants, the government is trying to solve different problems, the nature of which surely changes over time. Despite the fact that an idea of the most preferred immigrant is always taken into account when forming immigration policies, the factors that were taken into account a hundred years ago are of no importance today.

---

Until the end of the Second World War, this issue was closely related to prejudices against the ethnicity and race that existed in those times. There were "preferred" immigrants (British, including American British, residents of North and West Europe), "acceptable" immigrants or "foreigners" (from South or Eastern Europe) and those considered "undesirable" (African Americans, Chinese or others immigrants from Asia) and who were tolerated only because they agreed to perform hard, physically exhausting work unacceptable to Canadians.

Although today Canadian immigration policy avoids racial and discriminatory overtones, the debate over "preferred" immigrants continues, but already in a new way (Citizenship and Immigration Canada, 1999; Stroeva, Lyapina, Konobeeva and Konobeeva, 2015). Today, the debate on immigration policy is focused primarily on searching for the right balance between three "classes" of immigrants: refugees, applicants for family reunification and "independent" immigrants, who are allowed to enter the country if they meet the requirements for the level of education, profession and a number of other conditions affecting their ability to make economic contributions to the development of Canada. Finding the balance between humanitarian obligations of Canada regarding refugee hosting and family reunification (regardless of their economic potential) and the need for immigrants who actually can adapt to a new home, to actively participate in the life of society and make a major contribution to the country's economic, social and political development is not an easy task.

This topic still gives rise to serious debates. Recent changes in the points of immigrants' departure (today they are often developing countries), as well as in their categories (applicants for family reunification) give some debate participants the reason to argue that immigration provides less and less economic benefits to the country. Today, many Canadians call for retargeting the immigration policy to the immigrants' ability to contribute to the development of Canada.

Despite the fact that Canada has a reputation of a country founded by immigrants, this process has not always been natural, and it happened that Canada had to compete with other countries to attract immigrants. According to the entrenched view, Canada is an object of economic and social envy of the whole world. Canadians can proudly look back at their achievements, yet when it comes to immigration, Canada has never been the only choice. Although Canada, along with Australia and the United States, is the world leader in hosting immigrants, it has always been a second-choice country rather than a second chance country. While the United States passively host immigrants, Canada and other countries have to take care of them. Historical experience shows that, when in Canada, many immigrants often take a course to the south choosing the path paved by the cohorts of their predecessors.

Immigration is in the joint jurisdiction of the federal government and provincial governments, but regional structures have only recently begun to participate in immigration policy. Until the 1960s, the provinces viewed immigration as an area that is fraught with dangers and rarely provides benefits. The provinces easily trusted Ottawa to solve immigration problems and only recently began to pay more attention to immigration policy than taking a passing interest.

After the Second World War, the province Ontario was the first to become interested in these issues and it was rather logical: today it becomes home of most immigrants who arrive in Canada. Quebec, the main concern of which was to attract as many Francophone immigrants as possible, quickly followed it and began to insist that immigrants should be integrated into the French-speaking community and Ottawa's policy should complement social and economic priorities of the province (Head, 2000). In 1968, in Quebec its own Ministry of Immigration was established.

Since 1978, Ottawa and provinces have been trying to combine the development and implementation of their policies by signing intergovernmental agreements. The most comprehensive agreement concluded with Quebec was signed in 1991. Six provinces signed immigration agreements with the federal government.

Despite the fact that various legislative acts in the sphere of immigration have been adopted in Canada, immigration policy is always implemented on a short-term basis. Federal immigration ministers tend to change the meaning and direction of policy at their own discretion and, therefore, make amendments to the rules, not to the acts. The Minister sets objectives and the level of immigration, as well as changes the rules, standards and criteria for the submission and consideration of applications. In the past, the ministers had so much freedom in this respect that they literally turned the practical side of the matter upside down. Although after the adoption of the Immigration Act of 1976 the Minister and immigration authorities lost some discretionary powers, the Immigration Minister still controls a number of important areas.

Besides, the immigration management as a segment of public policy has been fully developed only recently and found its own department. For most of Canada's history, the immigration management has been combined with other government duties and functions related to immigration policy.

In Canada, only three immigration acts have been adopted – in 1906, 1952 and 1976. Despite many changes in the tasks, objectives and practical implementation of specific immigration courses at different times, the acts were rarely amended. The development of a major legislative act in the sphere of immigration has always been a difficult matter – it is an emotional area of politics, which, according to some

---

researchers, has a corrosive effect on the national unity. Therefore, the country's government in different years tended to use a simpler approach, which consisted in changing the rules and procedures in the framework of specially adopted orders (Vitkovskaya, 2002; Breckova, 2016; Hani El-Chaarani, 2014). In other words, the development of immigration policy was usually reduced to changing the rules that accompanied various immigration acts. Thus, the legislation is only one of the components of Canadian immigration policy.

## **Conclusion**

Despite significant changes in immigration policy over the past few years, the issue of immigration still attracts attention. The discussion is mainly about current politics and recent developments in the international arena. It is worrying that in the changes implemented in immigration policy since the 1970s, too much emphasis has been placed on immigrants through family reunification in comparison with independent immigrants. Although the government has recently made it clear that the balance can be changed to the second category, an issue of equal treatment of these two categories remains relevant.

The broader approach used by Canada in the sphere of immigration on the "turn on and off" principle is criticized by some experts, who argue that it hampers long-term planning and even leads to unpredictable consequences in periods of the economic recession. As an economic panorama of immigration ceases to be visible during the recession, unskilled labor force penetrates the already weakened labor market. There is also some concern about the regional implications of immigration. The concentration of immigrants in one city or district usually serves as a kind of a road sign for subsequent immigrants.

The change in the international situation is likely to increase competition in attracting highly qualified immigrants. As a result, Canadians will have to seriously consider other components of government policy, for example, tax policy, if the government wants to remain competitive in attracting highly qualified immigrants.

Large-scale immigration as a means to compensate for the low birth rate in the country can cause unforeseen complications. When the population growth is slow, accelerated immigration can be difficult, causing stress in public institutions and complicating the integration of new arrivals. The adaptation of specific decisions in the sphere of migration policy to changing economic, social and international circumstances at the country, regional and provincial levels remains a key challenge that future policymakers will face.

## References

- Avery, D. 1985. Immigrant Labour. In Canadian Encyclopedia. Edmonton, AB: Hurtig Publishers Ltd. (p. 862).
- Bashmakov, A.I., Popov, V.V., Zhedyaevskii, N.D., Chikichev, N.D. and Voyakin, A.E. 2015. Generic Heurorithm of Innovation Management from Generating Ideas to Commercialization. *European Research Studies Journal*, 18(4), 47 -56.
- Breckova, P. 2016, Family Business in the Czech Republic. *European Research Studies Journal*, 19(4), 3-16.
- Chemodanova, K. 2016. The Great Canadian Jackpot: How Migration Policy Can Undermine the Economy of the Country. <https://russian.rt.com/business/article/344046-kanada-ekonomika-migranti-problemi>.
- Citizenship and Immigration Canada. 1999. You Asked About Immigration and Citizenship. Ottawa, ON: International Thomson Publishing.
- Dirks, G. 1995. Controversy and Complexity: Canadian Immigration Policy during the 1980s. Montreal, PQ: McGill – Queen’s University Press.
- Globerman, D. 1992. Background to Immigration Policy in Canada. In D. Globerman (Ed.), *The Immigration Dilemma*. Vancouver, BC: The Fraser Institute.
- El-Chaarani, H. 2014. The Impact of Financial Structure on the Performance of European Listed Firms. *European Research Studies Journal*, 17(3), 103 -124.
- Head, A. 2000. Economic Migrants or Refugees: Trends on Global Migration. Ontario: Speech at the forum in Toronto.
- Simon, J. 1992. The Economic Effects of Immigration: Theory and Evidence. In D. Globerman (Ed.), *The Immigration Dilemma*. Vancouver, BC: The Fraser Institute.
- Stroeveva, O., Lyapina, I., Konobeeva, E. and Konobeeva, O. 2015. Effectiveness of Management of Innovative Activities in Regional Socio-Economic Systems. *European Research Studies Journal*, 18(3), 63-67.
- Troper, H. 1997. Canada’s Immigration Policy Since 1945. In D. Taras, & B. Rasporich (Eds.), *Passion for Identity: An Introduction to Canadian Studies*. Scarborough, ON: International Thomson Publishing.
- Tuohy, C. 1992. *Policy and Politics in Canada: Institutionalized Ambivalence*. Philadelphia, PA: Temple University Press.
- Vitkovskaya, G. 2002. Immigration Policy of Western countries: Alternatives for Russia. Moscow: Gandalf, pp. 76.