THE CHALLENGES OF INCREASING DIVERSITY IN AREAS OF URBAN DECLINE: A WINNIPEG CASE STUDY

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INTRODUCTION

Certain areas of cities have traditionally been destinations for new immigrants. Generally these areas have been characterized by low cost and low quality rental housing and were not considered the best part of town. They were "entry depots" for what were generally low income, low skilled immigrants and refugees. Winnipeg's inner city including the North End was such an area.

Today new immigrants are less likely to be concentrated in such areas. The characteristics of many newcomers have changed with the increase in economic and business class immigrants who often have better employment opportunities and hence higher incomes, providing them with greater access to better housing choices in other areas of the City. However in Winnipeg, the inner city continues to be the first home for many new arrivals, particularly refugees. They have to seek out less expensive housing because of their very low incomes.

Another group of new arrivals also gravitate to Winnipeg's inner city. Many Aboriginals (migrants as opposed to immigrants) from Reserves and remote and northern communities come to Winnipeg in search of improved employment opportunities, education, health care and better life circumstances in general. They have characteristics in common with the refugees – poverty and lack of skills. They move to the inner city for the same reasons as the refugees and they face many of the same barriers as they attempt to access adequate, affordable housing and seek out employment.

The following discussion will focus on the characteristics of the refugees and Aboriginals arriving in Winnipeg's inner city, the neighbourhood circumstances they experience and the housing market characteristics within which they search for housing. The arrival of these newcomers increases the racial and ethnic diversity that exists in Winnipeg's inner city. Although this increasing diversity adds cultural enrichment it also presents challenges. As the refugees and the Aboriginals struggle to establish new lives in the City, they often end up in competition for the same jobs, and, particularly the same housing. Resettlement is not always a pleasant experience and often the necessary policy and program supports are not in place. Integration, as the following discussion illustrates, is a challenging process.

WINNIPEG'S INNER CITY

Winnipeg's inner city is home for approximately 120,000 people. It is identified as one of the largest geographic areas of urban decline in Canada's major metropolitan areas. The area contains 41 neighbourhoods including those in the Downtown (Map 1) and the majority, based on many different indicators, illustrate significant levels of urban decline. In the inner city forty percent of all households live below the poverty line compared to fifteen percent for the non-inner city (Statistics Canada 2006). In some neighbourhoods over thirty percent of the labour force is unemployed and poverty levels exceed sixty percent. In these neighbourhoods, average household incomes are one-third of the City average. Crime rates per 1,000 people exceed 1,000 annually in some of the neighbourhoods, compared to less than 100 in most non-inner city neighbourhoods. Thirteen of the top fifteen neighbourhoods in the City recording the highest crimes against persons (homicide, assault, sexual offences, abduction and robbery) are in the inner city (Carter, T. And B. McGregor 2006).

The area contains the highest number of vacant and placarded dwellings – close to eighty percent of the city total. Placarded dwellings are deemed unsanitary and unsafe and therefore unfit for occupancy. The age of construction of many dwellings in the inner city date from the late 1800s to the early 1900s. The number of demolitions is much higher, as are maintenance and occupancy orders, and dwellings in need of major repairs exceed twenty percent in some neighbourhoods compared to nine percent for the City as a whole. Median selling prices are well under fifty percent of the City average in most of these neighbourhoods (ibid.).

Recent immigrants, visible minorities and Aboriginals are all concentrated in the inner city. The area

contains twenty percent of the total population, but 34 percent of recent immigrants, 28 percent of all visible minorities and forty percent of all Aboriginals in the City (Statistics Canada 2006). As the following discussion illustrates, new arrivals in these categories are even more likely to be concentrated in the inner city.

Despite illustrating many indicators of urban decline, there is a concentration of services in the inner city that try to facilitate the transition of new arrivals – agencies that provide transitional housing, a significant inventory of social and public housing, agencies that provide language training for new arrivals, Aboriginal organizations that provide skills development for Aboriginal people coming to the City and of course cheaper (but poorer quality) private rental accommodation.

RECENTLY ARRIVED REFUGEES: HOUSING TRAJECTORIES AND NEIGHBOURHOOD CIRCUMSTANCES

Seventy to eighty percent of refugees find their first home in Winnipeg's inner city. A recent study (Carter et al. 2008) of newly arrived refugees highlights their socio-economic and housing trajectories, as well as the effects of the inner city environment. The study followed the changing circumstances of the refugees over a three year period based on an annual two hour personal interview. Seventy-five households, who had been in Winnipeg for a year or less, were interviewed in the first year, 55 of these same households were re-interviewed the second year, and 39 in the third year – retention rates of 73 and 52 percent. Approximately seventy percent were from Africa or the Middle East, so most were visible minorities, which made their adjustment even more difficult than that of many new arrivals (Table 1).

These households faced high levels of poverty. In the first year their average annual income was $23,636 – one-third of the City average. By the third year, this figure had increased approximately fifty percent to $35,411, still only slightly more than half the City average. In year one just over ninety percent of the households were below the poverty line. By year three this had fallen to 53 percent but still more than twice the City average. In the first year at least one person was employed full time in 49 percent of the households – by year three this had increased to 72 percent. With increasing levels of employment, dependence on government transfer payments fell from 52 percent of all income to 23 percent in the third year. Close to fifty percent of the households faced affordability problems in year one as they were paying thirty percent or more of their gross before tax income for housing – twelve percent were paying more than fifty percent. By year three there was a considerable improvement as the percentage of all households paying thirty percent or more had fallen to 23 percent. For renters this figure had fallen to just over twenty-two percent but approximately 75 percent of homeowners paid in excess of thirty percent. Despite these significant affordability problems, over eighty percent of those who continue to rent, plan to buy a home in the near future (Table 1).

The larger size of refugee households 3.7 vs 2.4 persons per household for the City of Winnipeg makes it difficult to find rental accommodation with enough bedrooms to adequately accommodate the household at an affordable rent. In the first year, less than forty percent found their accommodation crowded. This improved over the three years but twenty percent still found their space too small in the third year. In the first year approximately 25 percent felt their home was not safe for their children, and approximately thirty percent felt it contributed to health problems. Improvement over the three years reduced these figures to ten to fifteen percent. By the end of the third year forty percent had been able to access social housing. With rents set at 27 percent of gross, before tax, income, those in social housing saved more than $150 a month on rent compared to households renting in the private sector. A higher percentage in social housing also had enough bedrooms to adequately accommodate household size and composition than those in the private sector. After three years, however, those living in social housing were much less likely to feel safe in their neighbourhood or safe in their housing, perhaps because the majority in social housing lived in the inner city where safety is an issue. When asked how they felt about their neighbourhood, approximately seventy percent indicated they liked it and one-third indicated they did not feel safe. This proportion fell to about twenty percent by the third year, although this varied according to the time of day, with a higher proportion feeling unsafe at night. Despite reasonably high satisfaction levels with neighbourhood over sixty percent of those living in the inner city would prefer to move to a new neighbourhood and close to ninety percent would prefer not to live in the inner city.

> "The only reason I live here [the inner city] is because I can afford it. Nothing else is good."
>
> "It's uncomfortable because it is noisy. Neighbours are drunk and drug users. I cannot allow my son to go outside."

ABORIGINAL MIGRANTS FACE THE SAME CHALLENGES AS REFUGEES

Winnipeg is home to 63,745 Aboriginal persons and they make up about ten percent of Winnipeg's population. Of the major cities in Canada, Winnipeg has the largest Aboriginal population. They are a young population; about fifty percent are under 25 years of age. Between

1996 and 2001, the Aboriginal population in Winnipeg increased by 21 percent, between 2001 and 2006, the increase was 22 percent (Statistics Canada 2008a). Forty percent of this population lives in the inner city and over eighty percent of new arrivals initially live in the inner city (Distasio et al. 2004). Like refugee households they are characterized by high rates of poverty – approximately 85 percent have incomes that leave them below the poverty line; approximately 64 percent were unemployed at the time of arrival (Table 2). Approximately twenty percent were single parent families (ibid.).

Neighbourhood safety was an even greater concern than it was for refugees, as 36 percent felt unsafe because of crime, prostitution, gangs and violence and another thirty percent were concerned about alcohol and drug use and partying. Approximately fifty percent felt their neighbourhood was unsafe and another 42 percent were concerned about neighbourhood safety at certain times, particularly at night. Only ten percent really felt positive about their neighbourhood (ibid.).

Housing was a very significant concern for new arrivals: 51 percent were living temporarily with friends or family, the remainder were renting. Eighty-five percent of those renting spent in excess of thirty percent of their income on shelter and many households doubled up to afford the rent so crowding was a problem. Many of those living with family and friends moved frequently. They were "couch surfing" and could be considered amongst the "hidden homeless" as they had too little money to afford accommodation of their own and had no permanent residence or address. Only ten percent of the households indicated they were satisfied with their housing (ibid.).

Aboriginal people have lower levels of education and skills development, lower labour force participation rates, fewer Aboriginal people work full time all year compared to the non-Aboriginal population, unemployment rates are almost three times those of the overall population and they are three times more likely to live in overcrowded dwellings. High poverty rates, poor housing conditions and a highly transient lifestyle often place Aboriginal people at a higher risk of homelessness (Statistics Canada 2008b). It is estimated that there may be upwards of 10,000 people, most of them Aboriginal and most in the inner city that are part of the "hidden homeless" in Winnipeg – they are living temporarily with friends or family (Distasio et al. 2005). The challenges facing these new arrivals and their living circumstances certainly do not facilitate the resettlement process.

THE HOUSING MARKET ADDS FURTHER CHALLENGES

The market circumstances add to the challenges the new arrivals face. Vacancy rates are low and have been around or below an average of one percent for several years in Winnipeg's inner city. Rental rates range from an average of $425 for a bachelor to $870 for a three bedroom unit (but very few larger units are available) in the inner city (CMHC 2008). Many of the rental units in the inner city are old – built before 1940 and in poor condition. The choice is limited and many of the vacancies that do exist are in the older stock which is in poor condition. Current rents exceed what most households can afford to pay so those who cannot access public or social housing face serious affordability problems. Although there is a significant inventory of social and public housing in the inner city, the waiting lists are long. Aboriginal non-profit housing organizations also provide affordable rental units but the demand leads to wait times up to two to three years.

COMPETITION LEADS TO DISCRIMINATORY PRACTICES

The significant challenges the two groups face play themselves out in a very tight housing market. The two groups are competing for very few units, generally of lower quality and prices that are higher than they can afford. This competition plays itself out in a number of ways. First it creates a situation under which landlords are in a better position to "pick and choose" tenants. Larger households are often passed over in this situation. Landlords also have greater scope to evict tenants for infractions that might be overlooked in a market where vacancies are higher. This competition also creates circumstances within which landlords have greater flexibility to discriminate based on a range of characteristics: race, ethnicity, and colour, lack of references from previous landlords, perception of "problem tenants" and other factors. Commentary during the interviews of refugee households as well as discussions with landlords also suggested that the property management industry as a whole preferred to rent to refugees as opposed to Aboriginals. This preference was based on a number of factors. Refugees were less likely to be "problem tenants." Refugees are likely to be less mobile and less likely to have problems with drugs, alcohol, have rowdy parties, and less likely to be involved in gangs and prostitution. Refugees, at least for the first year, have support from private or government sponsorship so the potential for rent payment is greater. Although there is little concrete evidence from studies to support such perceptions, a process of "image establishment" has certainly occurred and it affects the way the property management industry reacts. All new arrivals suffer, perhaps Aboriginals more so.

CONCLUSION

Resettlement and integration into a new environment and new society is difficult under any circumstances and resettlement in declining inner city neighbour hoods adds another layer of complexity and difficulties. Competition for housing in a tight housing market between competing groups of new arrivals adds yet further difficulties. It also establishes a set of circumstances allowing the property management sector to be much more selective in the tenants they accept and evict. It makes it much easier to engage in discriminatory practices.

Developing information and educational material on tenant rights and responsibilities and ensuring it is communicated to new arrivals will leave new arrivals less vulnerable to exploitation. Development of information and educational material for landlords and caretakers to familiarize them with the cultural differences important to housing of new arrivals would also be useful. Life skills training for new arrivals, particularly on ways to access, operate and "live in" a rental situation is also necessary. However, the provision of more affordable housing is the most important initiative needed to ease the tensions created by the competition and facilitate resettlement and integration. There is simply not enough affordable housing available.

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