LEVELS OF IMMIGRATION TO CANADA

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ABSTRACT

We argue that the Canadian population composition would drastically change in favour of visible minorities if Canada adopts an increase in immigration levels for demographic and economic reasons. We think that this is one of the reasons why the Canadian government does not address the issue of the levels of immigration in spite of the economic and labour force benefits of increasing the current immigration level. This may not be a problem if the government of Canada adopts progressive policies for the management of immigrants' social transformation.

Introduction

The issue of immigration will move up the political and economic agenda as the developed world confronts the new demographic reality of a low fertility rate, an aging population, and 'baby boomers' leaving the workforce. Dependency ratios (the workers required to pay for social programs versus those who are retired and using the programs) will continue to deteriorate. The challenge this scenario poses is immense. This combined with the increased cost and usage of medical care by the aging population means that, along with other developed nations, Canada must move beyond accepted paradigms and should not turn towards possible 'stop-gap' measures, such as postponing retirement, relying on temporary workers, or hiking social programs.

While immigration is an obvious strategy, competition for young highly skilled immigrants will only increase as time goes on. As such, it is critical for developed countries to establish themselves as popular immigrant destinations if they are to enjoy future stability and economic growth. Those countries that succeed in this effort will be well prepared for the future challenge, and those who do not, will experience economic decline.

George et al. (2001) argue that even if Canada accepts an annual migration of 225,000 and attains life expectancy of 80 years for males and 84 years for females by 2026, the country will experience a net annual loss in population on the magnitude of about 10,000 persons by 2025 to 2026 because of more deaths over births. The population loss will intensify, reaching about 120,000 persons by 2035 to 2036 and about 197,000 by 2050 to 2051 (George et al., 2001). Other projections also point to the scenario that Canada will have an increasingly older population as well as smaller proportional increase of the working-age population (Li, 1996).

The ultimate question perhaps has less to do with whether Canada has much to gain in expanding immigration, but whether Canada can afford the loss of not increasing immigration. Does Canada want to continue a downward path of

Table 1. Assumptions of five scenarios.

Scenario	Immigration	Fertility	Mortality	Internal migration
A) Low growth	Characteristics: 67% visible minority Level: 180,000	T.F.R. of 1.3	e0M=80 e0F=84	2000-2001
B) Reference scenario	Characteristics: 1996-2001 Level: 225,000	T.F.R. of 1.5	e0M=80 e0F=84	2000-2001
C) Internal migration 1996	Characteristics: 1996-2001 Level: 225,000	T.F.R. of 1.5	e0M=80 e0F=84	1995-1996
D) High growth	Characteristics: 80% visible minority Level: 270,000	T.F.R. of 1.8	e0M=80 e0F=84	2000-2001
S) Scenario 1%	Characteristics: 1996-2001 Level: 1% of total population (365,000 in 2017)	T.F.R. of 1.5	e0M=80 e0F=84	2000-2001

Table 2. Population of Vancouver, Toronto, Montreal and Canada, the percentage change, and the proportion of the total population of Canada, 2001-2017, five scenarios.

	Population (thousands)				Percentage change (%)			Proportion of the total population (%)			
	2001	2006	2011	2017	2006	2011	2017	2001	2006	2011	2017
Vancouver											
Scenario A		2,144.0	2,252.8	2,372.3	5.3	10.6	16.5		6.8	7.0	7.2
Scenario B		2,203.7	2,369.8	2,560.3	8.2	16.3	25.7		6.9	7.1	7.4
Scenario C	2,036.9	2,234.1	2,432.2	2,665.9	9.7	19.4	30.9	6.7	7.0	7.3	7.7
Scenario D		2,273.6	2,505.5	2,776.1	11.6	23.0	36.3		7.0	7.3	7.6
Scenario S		2,287.2	2,549.6	2,879.0	12.3	25.2	41.3		7.0	7.4	7.9
Toronto											
Scenario A		5,129.9	5,450.9	5,832.3	6.9	13.6	21.6		16.3	16.9	17.6
Scenario B		5,282.2	5,751.6	6,315.7	10.1	19.9	31.7		16.5	17.3	18.3
Scenario C	4,797.2	5,291.0	5,772.7	6,342.3	10.3	20.3	32.2	15.7	16.5	17.4	18.3
Scenario D		5,457.5	6,099.0	6,884.9	13.8	27.1	43.5		16.7	17.7	18.9
Scenario S		5,490.5	6,210.0	7,147.5	14.5	29.5	49.0		16.9	18.1	19.6
Montreal											
Scenario A		3,563.0	3,648.1	3,734.1	2.7	5.2	7.7		11.3	11.3	11.3
Scenario B		3,620.4	3,755.6	3,897.7	4.4	8.3	12.4		11.3	11.3	11.3
Scenario C	3,468.2	3,567.5	3,657.5	3,751.9	2.9	5.5	8.2	11.3	11.2	11.0	10.9
Scenario D		3,691.0	3,890.9	4,109.7	6.4	12.2	18.5		11.3	11.3	11.3
Scenario S		3,675.7	3,876.5	4,115.7	6.0	11.8	18.7		11.3	11.3	11.3
Canada											
Scenario A		31,483	32,244	33,070	2.8	5.3	8.0		–	–	–
Scenario B		31,976	33,200	34,582	4.4	8.4	13.0		–	–	–
Scenario C	30,617	31,975	33,196	34,574	4.4	8.4	12.9	–	–	–	–
Scenario D		32,588	34,385	36,461	6.4	12.3	19.1		–	–	–
Scenario S		32,463	34,273	36,525	6.0	11.9	19.3		–	–	–

population decline? To understand the full impact of such a loss or gain requires simulations and/or projections made under varying assumptions, in order to capture more accurately the impact of immigration.

The thrust of this exercise is to highlight the importance of developing well informed policies on immigration levels for Canada. It is surprising that, although Canada has had a long history of immigration policies, it never had a policy on immigration levels. In the past, the government has been reacting to the prevailing socio-economic circumstances in deciding the levels of immigration. More specifically, although the government intended to meet the labour force requirements of the time or of its immediate future, the levels have been largely decided arbitrarily. We believe that for a progressive country like Canada, the government should proactively get involved in developing policies on the levels of immigration to address demographic and economic realities. This paper is an attempt to remind Canadian policymakers to address this gap.

To highlight the need for policy on immigration level, we analyze the role of international migration (net of immigration and emigration) on population change (size and age composition) in Canada's future, most specifically on the three largest metropolitan cities, namely Toronto, Montreal, and Vancouver. The rationale for examining the impact of immigration on these three cities is the fact that, in the recent years, 75 percent of immigrants tend to settle in these cities (Belanger and Malenfant, 2005). Moreover, according to the 2001 Census of Canada, about 60 percent of all immigrants live in one of these three cities. As a result, immigrants represent 44 percent of the population of Toronto and 38 percent of the population of Vancouver (Halli and Buzdugan, 2006).

Consequently, the negative experience of these three cities seems to influence public perception, especially of politicians, in addressing the issue of immigration levels.

We discuss the available data for Toronto, Vancouver, and Montreal separately. Immigrants and visible minorities are expected to represent around half of the populations of Toronto and Vancouver by 2017 (see Table 5). While in Montreal the proportions of these populations are still lower, this might change soon to follow the direction of the other two metropolitan cities. At least in the case of Toronto and Vancouver, the unprecedented increase of the visible minority population has already posed challenges for the social management of this group.

Theoretical Background

Canada has been a country of immigrants from different parts of the world since the time of the first European settlers. For instance, during the first decade of the century, net immigration accounted for as much as 39 percent of population increase (Li, 2003). The contribution of immigration continued to be significant even after War World II. According to Li (2003), during the decades of 1941 to 1951, 1951 to 1961, and 1971 to 1981, immigration's contribution to Canada's population growth has been 21 percent, 26 percent and 24 percent respectively. This trend has been even more dramatic in the recent years. Between 1991 and 1996, net immigration contributed 47 percent of the increase in Canada's population.

Around 1900, the government of Canada established explicit racial discriminatory policies to restrict the access of people of non-European origin (Beaujot and McQuillan, 1982). For instance, in 1903, a head tax of up to $500 was introduced for the Chinese wishing to immigrate to Canada. Similar restrictions were placed for other Asian groups. For example, an order in council was issued in 1913 to stop immigration from India by prohibiting access for those who arrived in Canada without continuous journey from the country of origin (Halli, 1987). The immigration policies continued to be reformed every time a new government came into power. However, the racially discriminative policies were not changed drastically. Even the immigration policy of 1953 clearly prohibited immigrants of Asian origin by stating that persons with peculiar customs, habits, or modes of life could be refused entry into Canada. The rationale was that Asians could not be readily integrated and assimilated in the Canadian national life and were likely to experience problems in dealing with the extreme climatic conditions.

In 1957, when the Conservatives came to power, new immigration regulations were issued, emphasizing education, training, and skills as the main considerations of admissibility regardless of the country of origin. A more refined policy was brought in by the Liberal government in 1967 (Halli, 1987). This was meant to abolish discriminatory policies and serve the manpower needs of the Canadian economy. This policy clearly identified three categories of immigrants: sponsored, nominated, and independent. A point system was used to assess independent and nominated persons. The assessment system was developed to distribute the points based on applicants' education, occupational training, personal qualities, age, fluency of official languages, and willingness to be located anywhere in Canada where employment opportunities were available.

One of the important consequences of the new policy is the drop in the proportion of European origin immigrants and the increase in the proportion of newcomers from developing countries. In other words, while in 1960 the top ten source countries were the United States and from Europe, by 1973 the situation changed drastically, resulting in only five countries from Europe and the United States. Twenty years later, only two countries were of European origin and surprisingly, not even the United States was part of the top ten countries (McVey and Kalback, 1995).

While in the past immigration has been linked to economic considerations, now there is a need to link it more with demographic considerations, which would imply a long-term approach to the setting of immigration levels. In fact, the McDonald Commission also argued for long-term objectives in setting immigration levels and made the case for demographic objectives that would use immigration to forestall population decline. Immigration has an impact on the rate of growth and the structure of the population, as well as on the size and composition of the productive labour force. Beaujot (1999) emphasizes that, while analyzing the impact of immigration in the context of population gain in Canada, it is wrong to look at the average age of the foreign born and note that they are somewhat old. This is because the second generation Canadian is not counted in the population. Beaujot sug-

Table 3. Median age of the population, and median age of working-age individuals (25 to 64 years), by CMA, Canada, 2001-2017, five scenarios (years).

	Median age of the population				Median age of working-age individuals			
	2001	2006	2011	2017	2001	2006	2011	2017
Vancouver								
Scenario A		38.2	39.7	40.9		43.2	44.2	44.4
Scenario B		37.8	38.9	39.8		43.0	44.0	44.2
Scenario C	36.2	37.5	38.4	39.1	41.5	42.9	43.8	43.9
Scenario D		37.3	37.9	38.5		42.9	43.8	44.0
Scenario S		37.4	38.1	38.8		42.8	43.6	43.7
Toronto								
Scenario A		36.8	38.1	39.3		42.5	43.6	44.0
Scenario B		36.3	37.2	38.1		42.3	43.3	43.7
Scenario C	35.0	36.4	37.3	38.2	40.9	42.4	43.4	43.8
Scenario D		35.8	36.2	36.6		42.2	43.1	43.4
Scenario S		35.9	36.5	37.0		42.1	42.8	43.1
Montreal								
Scenario A		38.9	40.3	41.6		43.5	44.7	44.7
Scenario B		38.5	39.5	40.5		43.4	44.5	44.6
Scenario C	36.8	38.7	39.9	41.0	42.1	43.5	44.7	44.9
Scenario D		38.0	38.5	39.07		43.3	44.4	44.4
Scenario S		38.2	38.9	39.6		43.2	44.2	44.0
Canada								
Scenario A		38.7	40.4	42.0		43.8	45.0	45.2
Scenario B		38.3	39.6	40.9		43.8	44.9	45.0
Scenario C	36.3	38.3	39.6	40.9	42.2	43.8	44.9	45.0
Scenario D		37.8	38.7	39.5		43.7	44.8	44.9
Scenario S		38.1	39.1	40.1		43.6	44.6	44.6

gests that further simulations and projections should be made under varying assumptions, in order to capture more accurately the impact of immigration. Sensitive indicators, such as the average age of the population, the proportions of children, persons' retirement age, and the numbers of people at ages of entry/departure from the labour force, should also be taken into account. In addition, there is a relatively poor understanding of the issue of labour skill shortage and its implications for both immigration and labour market policy.

The only feasible way to tackle the problem is to focus on long-term demographic objectives and to abandon any attempt to equilibrate age structure characteristics on an annual basis. One could envisage the long-term maintenance of the volume of the potential active population or aim at a ratio of 5 to 8 persons in the working ages to one elderly person via a constant immigration rate. This would avoid any unrealistic population growth rates but would still imply necessary annual immigration intakes.

Discussion and Results

Many population projections and simulations in Canada have shown that population will decline unless there is a substantial increase in immigration levels (George et al., 2001; Belanger and Malenfant, 2005). More importantly, demographic indicators such as median age of population show that the population of Canada is aging much faster than expected. The same thing can be said about the Canadian labour force and its indicators such as the dependency ratio. For instance, currently there are 4.4 people in the labour force for every one person above the age of 65 years (see Table 4). However, this will drastically deteriorate once the 'baby boom' cohort begins to retire. The declining Canadian population will also have implications on the economy of scale, the problem of replacement of skilled labourers, the maintenance of the current infrastructure, and the difficulty of meeting the labour force demands in the industrial sector.

Table 4. Ratio of the working-age individuals (25 to 64 years) and the seniors (over 65 years), by CMA, Canada, 2001-2017, five scenarios.

	Ratio of the working-age individuals and the seniors			
	2001	2006	2011	2017
Vancouver				
Scenario A		4.7	4.4	3.7
Scenario B		4.8	4.5	3.8
Scenario C	5.0	4.9	4.6	4.0
Scenario D		4.9	4.6	4.0
Scenario S		4.9	4.8	4.1
Toronto				
Scenario A		5.0	4.7	4.1
Scenario B		5.1	4.9	4.3
Scenario C	5.2	5.1	4.9	4.3
Scenario D		5.1	5.0	4.5
Scenario S		5.2	5.1	4.7
Montreal				
Scenario A		4.3	3.9	3.3
Scenario B		4.3	3.9	3.4
Scenario C	4.4	4.3	3.9	3.3
Scenario D		4.3	4.0	3.5
Scenario S		4.4	4.1	3.6
Canada				
Scenario A		4.2	3.9	3.3
Scenario B		4.2	4.0	3.5
Scenario C	4.4	4.2	4.0	3.5
Scenario D		4.3	4.0	3.5
Scenario S		4.3	4.0	3.5

We are sure that the government of Canada and its policymakers are fully aware of the demographic realities of an aging population and labour shortage. However, they tend to address the problem of labour shortage by adopting 'stop-gap' measures (i.e. recruiting temporary foreign workers to meet the labour force demand; postponing the age of retirement). Soon however, Europe and the United States will also be competing for the same international labour pool due to their labour shortage. We can therefore expect that the 'stop-gap' measures adopted by Canada will not last long. We suspect that Canada will be forced to make hard decisions to address the problem of population aging once the 'baby boomers' start retiring in large numbers.

Historically, Canada has always benefited from increased immigration. Immigrants have never been an economic burden for the Canadian society (Li, 2003). On the contrary, they have contributed to the development of Canada's infrastructure, agriculture, wider economy, and culture. Studies have shown that immigrants have been net contributors to the Canadian economy rather than receivers (Basavarajappa and Halli, 1997). This is true even after including immigrants such as refugees, asylum seekers, and sponsored family. In spite of their contribution, the government seems to have serious concerns or hesitations to publicly discuss and debate the immigration levels based on objective criteria. Immigration has always been a contentious issue. It is possible that politicians are not interested in making immigration a central issue in their election campaigns, because they are unwilling to take the risk as they seem to be unable to assess the public opinion on the issue.

In Canada's interest, it is neither desirable nor possible to postpone the immigration level debate for a long time. With this exercise, we would like to draw the attention of policymakers and politicians to this issue. We do not claim to have a solution to the problem, nor a magic optimal immigration level. This analysis is intended to show how the population pyramid and its demographic indicators would be affected by different levels of immigration. Although they do not have theoretical justifications, the immigration levels used in this analysis have been referred to in the past in various government projection exercises.

For the first time, the 2001 Census has shown that the population of Canada has grown because of immigration alone (Belanger and Malenfant, 2005). This is a powerful signal that the future growth of the Canadian population will be closely tied to the level of immigration. Therefore, we include Table 2 to understand how the various levels of immigration affect the size of the population of Canada, Toronto, Vancouver, and Montreal. As expected, with increasing levels of immigration, the population change

Table 5. Visible minority population of Vancouver, Toronto, Montreal and Canada, the percentage change, and the proportion of the total population, 2001-2017, five scenarios.

	Population (thousands)				Percentage change (%)			Proportion of the total population (%)			
	2001	2006	2011	2017	2006	2011	2017	2001	2006	2011	2017
Vancouver											
Scenario A		869.1	985.0	1,110.9	17.3	33.0	50.0		40.5	43.7	46.8
Scenario B		914.0	1,076.0	1,261.4	23.4	45.3	70.3		41.5	45.4	49.3
Scenario C	740.7	943.7	1,134.6	1,359.8	27.4	53.2	83.6	36.4	42.2	46.6	51.0
Scenario D		963.9	1,178.2	1,434.0	30.1	59.1	93.6		42.4	47.0	51.7
Scenario S		984.7	1,228.7	1,533.3	32.9	65.9	107.0		43.1	48.2	53.3
Toronto											
Scenario A		2,106.8	2,437.8	2,822.2	20.2	39.1	61.0		41.1	44.7	48.4
Scenario B		2,214.4	2,659.4	3,194.0	26.3	51.7	82.2		41.9	46.2	50.6
Scenario C	1,752.6	2,219.7	2,667.5	3,200.6	26.7	52.2	82.6	36.5	42.0	46.2	50.5
Scenario D		2,334.8	2,918.0	3,648.2	33.2	66.5	108.2		42.8	47.8	53.0
Scenario S		2,378.9	3,022.0	3,852.9	35.7	72.4	119.8		43.3	48.7	53.9
Montreal											
Scenario A		523.4	589.5	666.2	15.4	29.9	46.8		14.7	16.2	17.8
Scenario B		548.7	639.9	748.6	20.9	41.0	65.0		15.2	17.0	19.2
Scenario C	453.7	548.9	639.7	748.2	21.0	41.0	64.9	13.1	15.4	17.5	19.9
Scenario D		578.7	702.9	858.1	27.6	54.9	89.1		15.7	18.1	20.9
Scenario S		585.6	721.0	895.1	29.1	58.9	97.3		15.9	18.6	21.7
Canada											
Scenario A		4,794.1	5,500.5	6,313.0	18.7	36.2	56.4		15.2	17.1	19.1
Scenario B		5,030.7	5,983.3	7,120.7	24.6	48.2	76.4		15.7	18.0	20.6
Scenario C	4,037.5	5,030.2	5,981.8	7,116.2	24.6	48.2	76.3	13.2	15.7	18.0	20.6
Scenario D		5,296.4	6,548.7	8,109.0	31.2	62.2	100.8		16.3	19.0	22.2
Scenario S		5,383.8	6,761.6	8,530.5	33.3	67.5	111.3		16.6	19.7	23.4

from 2006 to 2017 varies from as little as 8 percent, to as much as over 19 percent. The corresponding level of immigration for the 19 percent change in population is 1 percent of the Canadian population. The corresponding increases in population for Toronto, Vancouver, and Montreal are 49, 41 and 19 percent respectively. The dramatic increase in the populations of Toronto and Vancouver is consistent with the current demographic and immigration trends. This may be an important cause for concern for the authorities, along with the unprecedented growth of the visible minority population of these cities. For example, under the 1 percent immigration scenario, the visible minority population will increase by 120 percent in Toronto and 107 percent in Vancouver (see Table 5). Consequently, the majority of the population of these two cities will be non-white. An additional cause for concern may be that a few visible minority groups may dominate demographically in certain areas. To be exact, more than 47 percent of the Vancouver visible minority population will be Chinese. Similarly, 32 percent of the visible minority population of Toronto will be South Asian (Belanger and Malenfant, 2005: 28). This trend may not be desirable for the dominant groups for a variety of reasons, including the fear of losing their political power base.

We must note that the Canadian population has experienced this magnitude of the immigrant population previously in its history. In fact, between 1911 and 1931, the foreign-born population represented around 22 percent of the total Canadian population (Belanger and Malenfant, 2005: 12). The current concern in the adoption of the level of immigration of 1 percent of the population seems to lie in the fact that 80 percent of new immigrants will be visible minorities (Belanger and Malenfant, 2005). This was not the case in the past because of explicit discriminatory immigration policies based on country of birth.

In the interest of the economic welfare of the Canadian society, the government should adopt more imaginative integration policies to deal with the inevitable emergence of ethnic diversity in Canada. In the past, Canada has been a leader in adopting the policy of multiculturalism, but has changed its focus over time, moving from the promotion of ethnic identity to forging unity from diversity, building a national identity, and trying to develop the 'economic advantage' of being Canadian (Frideres, 1999: 86). Furthermore, Frideres argues that Canada should spend its energy and time in developing programs and strategies to integrate immigrants into the Canadian society and to sensitize Canadians to the benefits of a multicultural society. If there have been concerns over the social cohesiveness in cities such as Toronto and Vancouver, it is because Canada never really had any serious integration policies except for some ESL training workshops to teach people to 'do their shopping'.

The problems in these cities, due to the visible minority population, lies in the fact that immigrants were never helped to utilize their academic credentials, professional experience, and technical skills. It is not uncommon to read articles in leading newspapers such as *The Globe and Mail* about foreign-educated doctors who deliver pizza and engineers who drive taxis in Toronto. Similar arguments are advanced by Ibbitson (2006: A4). In his recent *The Globe and Mail* article titled 'Government's next big job: managing national labour shortage', where he states that 'pervasively, federal and provincial governments con-

sciously distort the labour market with policies guaranteed to worsen shortages by encouraging workers to be unproductive'. If the government views immigrants as economic portfolios, invests time and money and fully exploits their talents, skills, experience, and education, immigrants can be employed much sooner and become more productive members of the society.

Ibbitson (July 4, 2006: A4) further states that "the largest public-policy challenge confronting Canada: [is] a nationwide labour shortage. Whether it's a Tim Hortons in Canmore or a university in Toronto, the Help Wanted sign is out". We emphasize that the situation will deteriorate even further once the 'baby boomers' begin to retire, unless the immigration level is increased to adequately compensate this. According to Table 3, if the level of immigration is increased to 1 percent of the total population from the level of 180,000 immigrants per year, the median age of the population can be reduced from 42 years to 40 years. While a population median age of 40 years is high, the corresponding figures for the working age population are even higher. Even at the immigration level of 1 percent of the population, the median age of the 25 to 64 years age group will remain at 45 years by 2017. The median age of Toronto is much lower than that of Canada, mainly because of its visible minority population. At the immigration level of 1 percent, the median age of the population of Toronto will be 37 years by 2017.

Denton et al. (1999) show that immigration tremendously affected Canada's labour force. According to them, between 1986 and 1991, net immigration accounted for 46 percent of Canada's expansion in labour force and for 71 percent between 1991 and 1996. Toronto and Vancouver are experiencing a high concentration of visible minorities and new arrivals, which must have made them grow economically and industrially at a greater pace. In the case of Canada, even if immigration is increased to 1 percent, by 2017 there will be 3.5 persons in the working age group for every one retiree. On the other hand, at the same level of immigration, the corresponding ratio for Toronto is still around 5. This shows that, although Toronto is often projected as experiencing undesirable events due to the increase of the immigrant population, the city is not as chaotic as it is shown to be. No doubt, it has become complex, but the immigrant problem in the city has much to do with the social construction of immigrants.

The behavioural deviations of the visible minority population from that of native-born Canadians are interpreted as a lack of assimilation, and not as a success in building a lifestyle that may deviate from that of long-term Canadians. Frideres (1989) argues that the goal of multiculturalism is to show that the recognition of cultural diversity is compatible with, and will not undermine, those institutions that guarantee equality between individuals and classes. Immigrants must be given a sense of group worth, cultural autonomy, and the ability to maintain ethnic identity. On the other hand, Frideres argues that

> "skin colour has become the basis for social making. Accordingly, members of the visible minority, irrespective of whether they were born in Canada or not, are more likely than those of European origin to be considered immigrants because of their superficial physical features. In this context, the term immigrants also implies undesirable newcomers who are too culturally and racially removed from mainstream Canadians of European origin" (p.45).

This negative image must be changed. Such a change would facilitate conflicts management and resolution.

The issue of immigration will move up the political and economic agenda as the developed world confronts the new demographic reality of a low fertility rate, an aging population, and 'baby boomers' leaving the workforce.

Conclusion

In the past, immigration has contributed significantly to the rate of population growth in Canada. According to the 2001 census, the rate of growth of Canada's population between 1996 and 2001 is due to immigration alone. It is important to recognize the fact that Canada has profited from population growth in the past and may well profit from such growth in the future (Beaujot, 1991). Beaujot also argues that, while free trade reduces the need for population growth as a source of labour force demand and as a basis for the economy of scale, the main disadvantage of slow growth population involves more marked population aging and a less feasible labour force. However, the 1974 Green Paper and its subsequent revisions based on expert group consultations seem more cautious. The lack of enthusiastic support for high population growth in the Green Paper is based on the assumption that a high rate of economic growth can be sustained due to technological innovations which increase productivity. This, in turn will take care of the growing dependency.

If Canada does not pursue its expansionist view, its immigration policy will be shortsighted. The United States is powerful economically, politically, and culturally, mainly due to its size and technological advantage. If Canada's population begins to decrease, then technological innovation alone will not be able to maintain its economic position relative to the United States. Consequently, Canada will have an even smaller economy relative to the United States. Since immigration would be the only source from which Canada's population and labour force can continue to grow, Canada has very little to gain in curtailing immigration. The question is not whether or not Canada should have immigration, but what should be the optimal annual intake? In view of Canada's future, and considering the obvious link between immigration and absorption capacity, it would be difficult to justify a policy to reduce

the size of annual immigration or for that matter, to just maintain it at the level of 250,000 per year.

Based on the above analysis, it is clear that the level of immigration to Canada has to be increased substantially for demographic and economic considerations. Even if the government or the policymakers are conscious of this need, there are no theoretical or scientific bases for the annual intakes of immigrants advanced so far. For example, instead of proposing any arbitrary levels of immigration, such as 1 percent of the Canadian population, Canadian policymakers need to develop a comprehensive policy on the required level of immigration to Canada for a long-term solution.

For the data and methods involved in this study, please contact the authors.

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