

THE INTERNATIONAL JOURNAL OF HUMANITIES & SOCIAL STUDIES

Demographic Impact of Canadian Immigration Policy: A Replacement Migration Report

Ayansola Olawale Olalekan

Postgraduate Student, Department of Political Science, University of Ibadan, Ibadan, Nigeria

Sanni Olukayode Adekunle

Lecturer Department of Local Government and Development Studies, The Polytechnic Ibadan, Ibadan, Nigeria

Abstract:

Policies related with immigration are becoming unavoidable matter among policy makers in the context of demographic pressure in Canada. To correct ageing and population decline, which are caused due to the decline of fertility below replacement level, idea of using immigration is growing. Diminishing working age of Canadian population has caused policymakers to fulfill gap between annual immigration flows and workforce hiring in Canada. This paper contributes to this discussion by evaluating the current immigration policy in Canada with its attendant demographic impacts through a replacement migration report as an attempt to solving the declining and ageing Populations in Canada. Population distribution in terms of size, growth and workforce marginal gap excluding socio economic pattern have been captured by this study through the substance of the report. In Canada, demographic reflection does not cover its geographical composition. The paper will be descriptive and qualitative in nature through the use of secondary data sources for analysis. This study will give politicians a leverage to address the foreseeable inverse in the demography of Canada. The study will also avail to Canadian public an analytically sound, well-documented and evidence based information on the subject under study. The paper concludes that replacement migration may not be adequate to solving the demographic strain in Canada. Population ageing and shortage of workforce, geographical distribution, socio economic status related problems haven't been solved still inequality of population distribution problem has been improved to some extent.

Keywords: Demography, Canada, migration, immigration

1. Introduction

The widespread belief among policy makers that immigration policies are inevitable to relapse the presumed demographic stress in Canada. As per Armstrong (2002), with the outlined objectives of Immigration Act (Parliament of Canada, 1978: C.52, 5-6) as well as based on suggestions of various commentators after 2001 Census, moving of immigrants is pertinent solution. Although, we may welcome the widespread view that Canada's immigration policy serves its domestic purpose/ national interest and is essential for economic growth to fill its workforce shortage and to offset an aging and diminishing population with sudden disbelief. We may not have also disconfirmed that immigrants in Canada are selected because they possess the education, trades, skills, and training essential to meet its workforce demands. These are sweeping issues that are not cast in stones and so needed to be objectively challenged and investigated. There are strong evidences indicating that immigration may not contribute significantly to the economy, not essential to the workforce force, and may not help to reverse problem stemming from decline and aging population, For the people coming to Canada i.e. immigrants, may not be selected because of their skills and training. Government policies advancing multiculturalism and diversity reinforce this view that, Canadians are conditioned to accept immigration as a natural phenomenon. Political parties in Canada favor large scale immigration and then insist that the demographic strain of the country for now rely heavily on immigrant friendly policy. This study examines issues raised by the replacement policy and need to deal with the resultant problems. From the context of modern nation state, this initiative of replacement migration policy aims to create an impact. However, Declining and Ageing Population severely strained Canada to Adopt a policy position that will significantly correct the Demography of Canada. Moreover, Government of Canada has enforced the policy of Replacement Migration as exemplified by the projected Demographic Challenge.

1.1. Understanding Immigration in Canada

One argument in favor of immigration in Canada is that it is needed to cover the liabilities of the country's demographic problem. Immigration policy is composed of multiple components. But, regardless of the entry avenue, virtually all immigrants must work once they arrive. Scholars (Romaniuc, 1984; Grady & Grubel, 2015) seldom acknowledged in the political rhetoric, the scale of immigration flows, the demographic characteristics and distribution of the foreigners which have economic implications for Canadian population including the native-born as well as the foreign-born who have previously become naturalized citizens.

Immigration although is a nationalized incident still only limited number of problem have been solved. Foreign-born population has made this problem more prominent. Because of mainly rely of immigration for population change; Canada is facing increased regional inequalities in terms of growth in demographic sector. The reason behind this is immigrants are showing a preference for a limited number of provinces and metropolitan areas.

According to the definition given by the Haut Conseil à l'Intégration, explicates persons born abroad to foreign biological parents who have decided to settle on a long term or permanent basis in Canada. "Immigrant" thus stands in opposition to "native." The term "foreigner" applies to persons who do not have their normal residence in Canada, who have not or not yet decided to settle there and who can consider returning to their countries of origin or leaving for another country. Replacement migration seeks to maintain the relative size of the population with age distribution of 65 and over.

As per Coleman (2000), it seems that whole population of the world move to one country to prevent an increase in the proportion aged 65+ compared to that aged 15 – 64. According to Lachapelle (2001), "replacement migration" happens when migrants eventually replacing the original population. As per Denton et al. (1997), it is difficult to find any solution in demographic area for ageing. Since 1990, being extremely high inequality in Canada's annual rate of immigration has a significant impact on the size of the population. The figure is between 1990 and 2006, 3.9 million (14.2%) to the 1990 level of 27.4 million. Such mass immigration has profound effects on economic, demographic, social, and political conditions in Canada. In "One hundred years of ageing population record," According to Crompton and Vickers, (2000) most rapid labour force growth were noticed in the decades of (1901- 1911) and (1951-1961). Period between 1955-1990 had seen an increase in participation of women's labour force, from 20 percent (women aged 25) to a level of 56 percent in 1990. In the post-war era demand for labour has increased drastically. For Canada 1966-86 was the period of baby boom. More participation of women had been noticed, and the substantial level of immigration had occurred to correct the gap noticed in demographic profile. As per Foot (1987), with other western industrialized economy growth of this period was unmatched. For McDonald and Kippen (2001), period between 1970 to 1995, also showed higher demographic growth in Canada compared to twelve other countries with which comparison can be drawn.

Some findings based on Beaujot et al. (1989), Beaujot and Hou (1993), Citizenship and Immigration (1997b), Citizenship and Immigration (1999), Bélanger (2001) are mentioned below:

- For every year between 1956 and 1976 the mean age of immigrants was almost fixed i.e. 25 years,
- After that it increases to 27 years for 1981-86,
- Then 28 years in 1986-90 and finally, 30 years during 1994-99.

Small effects of immigrant have been noticed on the total population. Regarding entrance of immigrants some demographic profiles like age group, lower fertility, and mortality reductions have significant impact. Loh; George; Denton et al. (2001), opined that average age reduces due to immigration. For Li & Wu (2001), slow effect on aging can be observed due to immigration. They also mentioned the reason behind this is rate of fertility of foreign born is approximately 34% higher than Canadian born. George et al. (1997), projected assumptions to compare the effect of various alternative measurements like fertility, mortality and immigration for various populations. Some finding was as follows:

- For population less than equal to 14 years, fertility, mortality and immigration have largest impacts.
- Population of 65 years and above have highest mortality rate with this alternative mortality assumptions.
- Finally population with above 15 years and less than 64 years supposed to face with alternate immigration assumptions.

The current research aims to focus work on demographic impact of Canadian immigration policy to fulfill migration gap. Although, immigration policy related studies in Canada have examined several components and perspectives of the policy but it seems that inadequate evaluative measurement of the policy framework are there in the context of replacement migration expressed for population ageing and shortage of workforce, geographical distribution, socio-economic status. As such, the study provides an insight into evaluating the dynamics of impacts of immigration policy on the demography of Canada. Hence, the analytical focus with the replacement migration lens enables another contribution to frontier of knowledge. Since little analytic attention has been paid to this, I address this challenge by demonstrating a succinct flow of the replacement migration report as a response to declining and ageing demography of Canada.

1.2. Theoretical Framework

Theorists of international relations did not deal with immigration issues for a long time. Until the mid- and late 1990s migration wasn't given a significant attention. International migration gained some space for establishing relationship in international context. This study will be based on demographic transition theory which has swept the world since the end of 19th century. Growth of population during the Post-Malthusian Era has brought noticeable reductions in fertility rate and population growth in various region across the world. Several benefits as well as technological improvement has been noticed for many initiatives aim to increase per capita income growth. Labor productivity and growth process has been enhanced through three channels.

- Reduction in population growth has caused many problems for stocks of capital and infrastructure, ultimately leads to increased amount of resources per capita.
- Reduction in fertility rate have caused reallocation of resources from the quantity of children toward their quality, enhancing human capital formation and labor productivity
- Inequality in population and labor force.

All of these have identified challenges which need mechanical correction.

1.3. Immigration Trends and Population Growth Report in Canada

The recent intense public debate in Canada focus on the central feature of domestic immigration policies which reflect the deep imminence that policies of such nature have always provoke. Natural population growth has been declining in Canada since 1991 (Statistics Canada, 2017). Natural population increase was around 200,000 in 1976, was under 100,000 in 2006 and is predicted to turn negative in 2026(Statistics Canada, 2017). Although, the natural population growth rate has slowed considerably, owing to an overall aging population and declining fertility rates (Martel, 2016). As long as level of fertility is below replacement idea of immigrants as a replacement policy (a substitute for births) will go into vain. Over the next 10 years, Canada's baby boomers will exit the labour force, resulting in a labour supply shortage of 4.4 million jobs. Projected economic expansion will also lead to an additional demand of 2 million jobs. Over this period, Canada is only projected to supply 4.7 million new labour market entrants, resulting in a significant labour supply shortage (Kustec, 2012).

As is the case for many major industrialized countries, population aging is an inevitable and central feature of Canada in this first half of the 21st century. Population aging is explained by a combination of demographic factors such as rising life expectancy, declining fertility rates and migration. The demographic shift in Canada will be significant. According to United Nations demographic projections (UN Population Division, 2005), the proportion people with age bracket 65 and more from Canada is projected to more than double over a 50-year period, from 12.5% in 2000 to 26% in 2050.

Canada is currently undergoing a significant demographic transition, amenable and immigrant friendly. Size and growth of the population in terms of the labour force, along with socio-cultural side are being significantly affected by immigration. At least, 200,000 new immigrants arrive in Canada annually (Léonard and Rainville, 2006). The projected demographic changes in Canada hide the fact that the changes will affect regions of the country differently. For example, the Atlantic region, the province of Newfoundland presently has one of the lowest fertility rates in the world, while in the provinces of Manitoba and Saskatchewan rates are much better. Majority of immigrants prefers provinces of Ontario and British Columbia as their residential location, although these two places consist of just a little more than 50% of the Canadian population (Statistics Canada, 2007).

Recently Canada is looking for young, foreign-trained professionals with entrepreneurial skill such that necessary capital and opportunities for employment can be created along with scope for Canadian goods and services in external market. In contrast to other nation during economic downtime Canada has gesticulated more immigrants rather than simply closing door. Canada has treated immigrants as job creator instead of job taker. Canadian policymakers have to lose the connection between annual immigration flows and fluctuations in the business cycle due to reducing working age population. Since the early 1990s entering of immigrations through business and investor class program have created on an average a figure of approximately 250,000 per year.

- According to Loh and George (2001), based on 1996 Cesus with 1.48 fertility rate, immigration of 225,000 per year, emigration of 66,000 per year, and life expectancy reaching 82, the population will reach upto 37.1 million in 2040.
- As per Statistics Canada (2001) projections, with fertility rate of 1.48, immigration of 225,000 per year, emigration of 66,000 per year, and life expectancy reaching 82, the population reaches a peak of 37.1 million in 2040, finally a slow decline to 36.9 million in 2051.
- Comparison with no immigration, an immigration of 225,000 projected to delay population decline by 22 years, and produces a 2040 population that is 27 percent higher.

The aging population figure assumed for Canada is likely to have significant effect on intergenerational equity, public debt and pensions, government budgets for health care and public pension spending, trade and international capital flows, and the regional and reallocation of resources for different sectors. Through this study focus has been placed on the problem of population aging which ultimately leads to shortage of Canadian work force.

Romaniuc (1984), mentioned the number of immigrants to achieve one percent growth rate with level of fertility between 1.4 to 2.5 (Baby - boom to Baby-bust). Ryder (1997) discussed about the concept of replacement migration aimed to achieve desired population size with fertility were at replacement levels. Number of immigrants had been determined by the United Nations study for maintenance of the total population size, along with the size of the working age population, and maintaining the population ratio of aged bracket from 15 to 64. The establishment of Canadian citizenship in the postwar era had always tried to incorporate racial indiscrimination in naturalization, making residency, knowledge of French and/or English, and familiarity with Canada's history and political institutions.

As per the 1977 Citizenship Act, toleration for dual citizenship and decreasing the citizenship residency requirement from the five years stipulated under the 1947 Act had been mentioned three out of four years prior to the submission of a citizenship application. Banerjee; Robin & William Robson, (2009) had compared naturalization rate of Canada with US, where Canada has topped with 84% compared to 40% in US.

It had been mentioned that all of the costs just described would disappear if the supply of transportation infrastructure, housing, hospitals, schools etcetera kept up as per demand. Lammam (2017), discussed that negligence of Government for allocating inadequate fund along with too much regulations lead to improper maintenance of immigration policy led to failure for balancing the population gap. Moreover, the fiscal burden contributed to the shortage of funds in the area of housing and infrastructure.

Grady & Grubel, (2015), highlighted that Canadian employers want to recruit those employees and applicants whose wage match their expectation in terms of productivity, as well as amount of paid tax at least match their use of public services. Authors further mentioned that immigrants with wages are at per or above the average are being preferred by the companies. Investors then try to invest in such type of business where the business is productive in nature.

This is why concept of using immigration to fulfill the demographic gap can be fruitful for maintaining a certain growth rate, or avoiding decreasing, or averting aging population. This, study will put some light on how migration could bring some forms of supposed replacement that would keep the population more balanced/similar to what it should be.

1.4. A Replacement Migration Report

Experts comments suggest that increased immigration seems to be the only step to solve the stress in Canadian demographic field. It is a common tendency to consider immigration as a way of solving problem in Canada. Almost 20% foreign-born workforce is dominating skilled and unskilled labor force of Canada. For example, the Front page of Globe and Mail "Canada Is 30 Million, But Will That Last?" (Armstrong, 2002: A1). A study by Janigan (2002), mentioned taking reference from Maclean's report that more than half of Canadian workforce are foreign-born.

A specific study on Canada (United Nations, 2004; Denton and Spencer, 2004; Guillemette and Robson, 2006) have not disconfirmed that the impact of aging population is so high that immigration's ability to affect it is so insignificant. To (Schertmann, 1992) posited that a constant inflow of immigrants, does not necessarily spring the population of low fertility and may eventually contribute to population aging. As per (Statistics Canada, 2003: 5) facts are available based on census report on 2001 how immigrants were swamping into Canada during the 1990s, along with who were into the labour force during 2001 represented nearly 70% total labor force. Annual Report to Parliament (2001) also reported that 70% of labour force growth is due to immigration (Citizenship and Immigration, 2001: 2). Mentioned by Grant et al., (2004), a study by the RAND Corporation examined the demographic implications of low fertility in Europe and concluded in a rejoinder to this research question and so forged a stance on the capacity of immigration could bridge the demographic gaps EU nations. The Post-War highly skilled and educated immigrants were integrating well into the economy. There was a strong crucifixion to examine how the population and society are changing, and a deep interest to appreciate its implications (Census Report, 2001).

1.5. Significance of the Study

The study, at first contributed to the existing literature on the impact evaluation of Canadian immigration policy on its demography with a specific focus on replacement migration as a solution to the problem of declining and ageing population in Canada and then extend frontier of knowledge on Pool of Immigration Policies and Population study of Canada. The study also is of immense benefit to Canadian government by reconciling immigration and economic objectives with Canada's humanitarian commitments, Improve the effectiveness and quality of integration & settlement services for the benefit of all newcomers to Canada and Foster Demographic balance. It will also give politicians a leverage to address the Demographic Challenge and effective integration and settlement services and proper resources needed to become independent and economically productive in Canada. The study also avails to Canadian public, an analytically sound and well-documented empirical information and a balanced evidence of the subject under investigation. It is hoped that this information will mobilize public opinion, lead politicians to engage in debate of the issues, and ultimately result in an improvement in official immigration policies in Canada.

2. Conclusion

Needless to say, immigration of Canada has positive effect in terms of demographic and economic like, growth of population, labor force etc. Although it is unable to halt ageing problem but prominent improvement has been done in case population distribution. Unfortunately it becomes unable to prove itself as a significant initiative. Hence, as a suggestive note immigration should not be done only for demographic or socioeconomic field but should be made in sociopolitical, cultural field such that stronger integration with outside world can be made. Here, replacement migration solved the Declining and Ageing Populations in Canada but not with remnants of new forms of challenges in Canada. The country's existing national identity, culture, and social fabric are grossly under threats. Thus, given the direction of the finding, it is evident that it may be in the interest of Canadian government to review the present immigration policies.

3. References

- i. Banerjee, Robin and William Robson. (2009), "Immigration's Impact on the growth and age structure of Canadian Workforce", Chapter 7 in Grubel.
- ii. Beaujot, Roderic et Feng Hou. (1993). "Projecting the visible minority population of Canada: the immigration component," Ottawa: Statistics Canada Employment Equity Data Program.
- iii. Beaujot, C. (1989). The Link Between Immigration and Emigration in Canada, 1945-1986. Canadian Studies in Population 16(2): 201-216.
- iv. Bélanger, P. (1998). Report on the Demographic Situation in Canada 1997. Ottawa: Statistics Canada Cat. No.91-209.
- v. Boldrin, M. and Jones, L. (2002). Mortality, Fertility, and Saving in a Malthusian Economy, Review of Economic Dynamics 5(4): 775-814.

- vi. Citizenship and Immigration Canada, (2001). Pursuing Canada's commitment to immigration: the immigration plan for 2002. Ottawa: Citizenship and Immigration Canada.
- vii. Citizenship and Immigration, (2002). Facts and Figures 2001: Immigration Overview. Ottawa: Citizenship and Immigration.
- viii. Coleman, D. (2000). Who's afraid of low support ratios? A UK response to the UN Population Division report on 'Replacement migration.'" Draft paper for October 2000 meeting of Expert Group at United Nations.
- ix. Crompton, S. and Michael V. (2000). One hundred years of labour force." *Canadian Social Trends* 57: 2-13.
- x. Denton, F. (1997). Immigration, labour force and the age structure of the population," McMaster University: OSEP Research Report No. 335.
- xi. Foot, D. (1987). Population aging and the Canadian labour force." Institute for Research on Public Policy Discussion Paper 87.A.5
- xii. George, M. (1997), Impact of varying the component assumptions of projected total population and age structure in Canada," *Canadian Studies in Population*, 24(1):67-86.
- xiii. Government of Canada. Report on Plans and Priorities 2016-2017", Immigration, Refugees and Citizenship Canada, April 26 2016. <http://www.cic.gc.ca/english/resources/publications/rpp/2016-2017/#a2.3.1.1>
- xiv. Grady, Patrick and Herbert, G. (2015), Immigration and the Welfare State Revisited, Vancouver: The Fraser Institute <https://www.fraserinstitute.org/sites/default/files/immigration-and-the-welfare-staterevisited.pdf>, accessed December 1, 2017
- xv. Janigan, M. (2002). "Immigrants: How many is too many?" *Maclean's* 16 December 2002: 20-
- xvi. Kustec, S. (2012) The role of migrant labour supply in the Canadian labour market", Immigration, Refugees and Citizenship Canada, <http://www.cic.gc.ca/english/resources/research/2012-migrant/index.asp>
- xvii. Lachapelle, R. (2001). La notion de migration de remplacement: sa portée, ses limites et ses prolongements." Paper presented at meetings of the Association des Démographes du Québec, Sherbrooke.
- xviii. Lammam, Charles and Hugh MacIntyre (2017), Myths of Infrastructure Spending in Canada, Vancouver: The Fraser Institute, found at <https://www.fraserinstitute.org/sites/default/files/myths-of-infrastructurespending-in-canada.pdf>, accessed December 1
- xix. Léonard & Rainville (2006). Retraite anticipée et retour sur le marché du travail. Mimeo. Human Resources and Social Development Canada.
- xx. Li and Wu (2001) "Migration and aging of Canada." Paper presented at the meetings of the Canadian Population Society, Quebec City.
- xxi. Loh, S. and George, M. (2001). "Projected population size and age structure of Canada's population with and without international immigration." Paper presented at the meetings of the Canadian Population Society, Laval University.
- xxii. Martel, L. (2016) "Population growth: Migratory increase overtakes natural increase", Statistics Canada, September 20, 2016. <http://www.statcan.gc.ca/pub/11-630-x/11-630-x2014001-eng.html>
- xxiii. McDonald, P. and Rebecca, K. (2001). "Labor supply prospects in 16 developed countries: 2000-2050." *Population and Development Review* 27(1): 1-32.
- xxiv. Statistics Canada (2007). Labour Force Survey. Cat. 71-001-XIE.
- xxv. Statistics Canada (2007). Labour Force Survey. Cat. 71-001-XIE.
- xxvi. Statistics Canada (2017), "Canada at a Glance: Population", found at <https://www.statcan.gc.ca/pub/12-581-x/2017000/pop-eng.htm>, accessed December 1, 2017
- xxvii. Storesletten, K. (2000). Sustaining Fiscal Policy through Immigration. *Journal of Political Economy* 108, 2: 300-23.
- xxviii. Summary Report: Consultations and Public Opinion Research on the Future of Immigration in Canada", Appendix E, Q1 and Q2, found at <https://www.canada.ca/content/dam/ircc/migration/ircc/english/pdf/pub/consult-por-annexes.pdf>, accessed December 1, 2017.
- xxix. United Nations Population Division (2005). World Population Prospects: The 2004 Revision. <<http://esa.un.org.unpp>>.
- xxx. United Nations Population Division (2005). World Population Prospects: The 2004 Revision. <<http://esa.un.org.unpp>>.