REPORTS

289. From the EPC Secretariat
Report 2002/07/15

Increased Immigration - Sponsorship Guarantor Program
G-8 (Vol. 4)

1. That Executive Policy Committee concur with this Report.

2. That the City of Winnipeg enter into negotiations with relevant parties, including other levels of government, to carry out a pilot sponsorship guarantor project in support of increasing immigration.

3. That these negotiations work towards developing a measured, phased pilot approach that would only go from one step to another if each step is deemed to be successful.

4. That the pilot project consider the creation of a guarantor fund of up to $250,000.00.

5. That a Civic Immigration Advisory or Steering Committee be created to establish relevant criteria, terms and conditions, including for accessing funding and for measuring success, and to provide oversight to this sponsorship guarantor project.

6. That a negotiated pilot project be brought back to EPC and Council for approval.

7. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.

Moved by Councillor Gerbasi,
That the recommendations be concurred in.

Carried

Re: Increased Immigration – Sponsorship Guarantor Program

For submission to: **Executive Policy Committee**

Submitted by: **Executive Policy Committee Secretariat**

Report date: **July 15, 2002**

Recommendation(s):

1. **That Executive Policy Committee concur with this Report.**
2. **That the City of Winnipeg enter into negotiations with relevant parties, including other orders of government, to carry out a pilot sponsorship guarantor project in support of increasing immigration.**
3. **That these negotiations work towards developing a measured, phased pilot approach that would only go from one step to another if each step is deemed to be successful.**
4. **That the pilot project consider the creation of a guarantor fund of up to $250,000.**
5. **That a Civic Immigration Advisory or Steering Committee be created to establish relevant criteria, terms and conditions, including for accessing funding and for measuring success, and to provide oversight to this sponsorship guarantor project.**
6. **That a negotiated pilot project be brought back to EPC and Council for approval.**
7. **That the Proper Officers of the City be authorized to do all things necessary to implement the following.**

Report Summary

Key Issues:

- The Homegrown Economic Development Strategy (June 2001) (HEDS), focuses on “closing the skills gap and enhancing immigration” as one of its three priority policy foundations and issues.
- The HEDS stresses that the City must “play a leadership role in supporting enhanced immigration sponsorship programs”.

Implications of the Recommendation(s):

General Implications

ð None

X For the organization overall and/or for other departments

X For the community and/or organizations external to the City of Winnipeg

ð Involves a multi-year contract

Comment:

Policy implications

ð No

X Yes

Comment:

Financial Implications

ð Within approved current and/or capital budget

ð Current and/or capital budget adjustment required

Comment:

Report

Recommendation(s):

1. **That Executive Policy Committee concur with this Report.**
2. **That the City of Winnipeg enter into negotiations with relevant parties, including other orders of government, to carry out a pilot sponsorship guarantor project in support of increasing immigration.**
3. **That these negotiations work towards developing a measured, phased pilot approach that would only go from one step to another if each step is deemed to be successful.**

4. **That the pilot project consider the creation of a guarantor fund of up to $250,000.**
5. **That a Civic Immigration Advisory or Steering Committee be created to establish relevant criteria, terms and conditions, including for accessing funding and for measuring success, and to provide oversight to this sponsorship guarantor project.**
6. **That a negotiated pilot project be brought back to EPC and Council for approval.**
7. **That the Proper Officers of the City be authorized to do all things necessary to implement the following.**

Reason for the report:

Winnipeg City Council approved the Homegrown Economic Development Strategy (HEDS) in June 2001. The HEDS identified "closing the skills gap and enhancing immigration" as one of its three priority policy foundations and issues and stressed that the City must "play a leadership role in supporting enhanced immigration sponsorship programs".

Organizations from the Canada West Foundation to the Business Council of Manitoba have made the point that Winnipeg needs more people. The Business Council of Manitoba made the very nearly dire prediction that "a kind of demographic meltdown is coming from a combination of population aging, low birth rate, and a lack of ability to get a proportionate share of immigration" in *A "Made in Manitoba" Immigration Policy* (March 2001).

The Manitoba Interfaith Immigration Council (MIIC) has requested the City of Winnipeg to consider acting as a guarantor in support of "family linked" (individuals with relatives or friends in Manitoba) refugee sponsorship.

History:

Numerous individuals, including a provincial government representative and a respected refugee advocate, have characterized the need for family linked sponsorships as "huge". It is predicted that Manitoba will begin to lose population at an accelerating rate, with associated difficulties. Winnipeg, with two-thirds of the provincial population, will share proportionately in this slide and predicament. At this point the City of Winnipeg plays no role in "an issue that is fundamental to its future" (July 2001).

According to the Conference Board of Canada, the birth rate for Winnipeg starts to fall from 11.2% in 2001 to 10.9% in 2021 and the death rate is expected to rise from 8.1% in 2001 to 8.8% in 2021. The Conference Board states: "Therefore, migration becomes increasingly important as a factor for population growth and the city's ability to court and cater to migrants becomes an important determinant of its future economic potential."

The City of Winnipeg acknowledges the challenge. For example, its *Homegrown Economic Development Strategy* (June 2001) suggests that, "recognizing the tight labour market and daunting future demographic trends, the City of Winnipeg must support initiatives that narrow and eliminate the existing workforce skills gap". Furthermore, the City must support "attracting workers and entrepreneurs from outside of Winnipeg through increased immigration".

Discussion:

The MIIC has presented a relatively simple and potentially low-risk, but effective, high profile opportunity for the City of Winnipeg. The proposal suggests partnerships between refugee sponsoring groups and the City of Winnipeg be formed "to substantially increase the number of refugee family members settling in Winnipeg". These groups would "work with local community and family members to prioritise refugees with appropriate skills, language abilities and family supports. Sponsoring groups, constituent groups and Winnipeg family members would take responsibility for providing for the needs of the family members when they arrive and helping them to settle successfully."

Basic criteria would include that the sponsors must demonstrate that they can cover the basic living costs of the refugees (for their first year in Canada) until they become employed and self-supporting.

The City of Winnipeg's role would be to set aside or reserve funds to ensure that there would be no dependency on the government of Canada for the first year of the sponsorships, and to provide for settlement costs where resources are not available.

The basic proposal is that the City of Winnipeg provide up to $250,000 to create a guarantor fund. The nature or intent of the fund is to guarantee, or "underwrite", the sponsorship of refugees by sponsor groups. It can therefore be expected that the majority of the funds will roll over from year to year. A minimum of draw down may be required to cover settlement costs, in the unlikely event of breakdowns in sponsorships.

Preliminary discussions indicate that the Winnipeg Foundation could be a participant in this initiative, administering the program funding. The Manitoba Refugee Sponsors (MRS), and its member MIIC, would act as the City's partner and the project's manager.

The basic proposal has received wide-ranging support from representatives of the Provincial government, the Business Council of Manitoba, the MRS, and the Citizenship Council of Manitoba, among others.

An Advisory or Steering Committee should be established, possibly comprising representatives from the City of Winnipeg, Province of Manitoba, Government of Canada, the business community, the Winnipeg Foundation, and MRS.

The Committee would be responsible for oversight and/or implementation of the intent of the project and provision of financial and program advice. It could serve a number of longer-term purposes, including laying the foundation for further business and government collaboration.

This Report Submitted By:

Department: Executive Policy Committee Secretariat
Division:
Prepared by: Greg Zador
File No.:

Financial Impact Statement:

Project Name: Increased Immigration - Sponsorship Guarantor Program

Date: July 15, 2002 First Year of Program **2002**

	2002	2003	2004	2005	2006
Capital					
Capital Expenditures Required					
Less: Existing Budgeted Costs					
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - Enter Description Here					
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 250,000				
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ 250,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts					
Net Budget Adjustment Required	$ 250,000	$ -	$ -	$ -	$ -

Additional Comments: A negotiated pilot project, including a financial proposal, will be brought back to EPC and Council for approval.

Pat Bodnar
Senior Financial Accountant