Confidential

CANADIAN IMMIGRATION POLICY AND BACKGROUNDS

Dominion Bureau of Statistics

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MEMORANDUM ON CANADIAN IMMIGRATION BACKGROUNDS AND POLICY.

- C o n t e n t s -

CANADIAN IMMIGRATION POLICY AND BACKGROUNDS.

1. Canadian Immigration policy is under more or less continuous discussion for obvious reasons. Both in Canada and in European countries there is a considerable volume of opinion in favour of assisted migration and settlement for a certain number of selected immigrants. In Canada these plans are urged by many as a means of peopling our fertile acres, exploiting our natural resources, and distributing our capital charges. In Europe they are advocated as a means of draining off some small portion of the surplus population. Since the question of immigration will occupy an important place in the discussions for some time to come, it is opportune to present in brief form certain facts regarding immigration into Canada, the natural increase of the Canadian people; and the general population problem in the Dominion.

2. Both Canada and the United States have now taken steps to restrict immigration within narrow limits. In Canada the present policy of curtailment was initiated in August 1930 by Order-in-Council (P.C. 695 March 21, 1931) as amended by P.C. 885 April 23, 1937, which limits immigration to the following five classes:

(1) A British subject entering Canada directly or indirectly from Great Britain or Northern Ireland, the Irish Free State, Newfoundland, the United States of America, New Zealand, Australia, or the Union of South Africa, who has sufficient means to maintain himself until employment is secured: Provided that the only persons admissible under the authority of this clause are British subjects by reason of birth or naturalization in Canada, Great Britain or Northern Ireland, the Irish Free State, Newfoundland, New Zealand, Australia, or the Union of South Africa.

(2) A United States citizen entering Canada from the United States who has sufficient means to maintain himself until employment is secured.

(3) The wife or unmarried child under 18 years of age of a person legally admitted to and resident in Canada who is in a position to receive and care for his dependents.

(4) An agriculturist having sufficient means to farm in Canada.

(5) The fiancee of any adult male legally admitted to and resident in Canada who is in a position to receive, marry and care for his intended wife.

And provided further that immigrants as defined in paragraphs 2 and 4 above are destined for settlement to a province which has not signified its disapproval of such immigration.

The provisions of this Order in Council shall not apply to immigrants of any Asiatic race.

3. The above restrictions were of course specifically induced by the economic depression and in particular by its reaction upon unemployment, i.e., the emergence of surplus population especially at the working ages, which obviously rendered immigration directly harmful. Their influence on the current immigration movement has been immediate: the number of arrivals which was around 163,288 in the year ended March 1930 had been reduced to 25,752 in the fiscal year ended March 1932 and to 12,023 in the fiscal year ended March 1937.

4. As long as there is a surplus of workers in Canada creating unemployment one would not expect to find any strong body of opinion in favour of the abandonment of our immigration restrictions. Nevertheless both official and unofficial schemes are from time to time brought forward both here and abroad, not merely for the relaxation of present restrictions but for assistance in promoting immigration and settlement of people who have no means of their own. In view of such proposals, and looking to future policy, it is important that the whole situation should be canvassed and an examination made of the more pertinent data bearing upon the subject.

5. This, of course, includes also the problem of placing political refugees from European countries as immigrants to Canada. The question arises as to whether or not Canada should continue her restricted policy in the light of her absorptive capacity.

6. Population is obviously an enormous subject to bring under review even from a restricted viewpoint. It is the background of all that transpires within a country. Changes in its mass and content involve both natural increase and immigration and the distribution of permanent growth as between these two sources of supply. This in turn necessitates consideration of all the social and economic conditions within the country. In our census, in our vital statistics and in our immigration records taken together, a wealth of materials exists bearing directly thereon, and though it is impossible within the compass of a memorandum like the present to present even a summary of the facts, let alone to attempt their final analysis, we may at least pose the immigration problem against a more comprehensive background than is usually done.

What is the Place of Immigration in our National Life and Progress?

7. The question for which we are seeking the answer is, what has been and is the true place of immigration as a factor in our population growth and general national progress. We need not restate the traditional and still current beliefs upon the subject - which assign a very important place to immigration in the general Canadian scheme - but will limit our statement to a survey of the actual results of past immigration and some of the lessons they suggest.

8. Perhaps the best approach to this is by a resumé of the statistics of population growth in its leading elements since the beginning of the present century. That period includes the opening of the West; the depression of 1913; the war; the post-war boom; the depression of 1921-23; the subsequent revival; and the present reaction.

9. Canada began the century with a population of 5,371,315 to which it added 1,119,316 by native natural increase and 1,847,651 by immigration within the following decade. The 1911 Census therefore might have found a population of 8,338,282. Instead it found one of 7,206,643. Notwithstanding the fact that the opening of the "last best west" provided an opportunity for permanent accretion such as had never before occurred, we were unable to permanently retain some 1,131,639 persons resident in Canada at some time during the decade. The net growth in immigrant population was but 887,461. In other words although we

received 1,847,651 immigrants, no fewer than 960,190 immigrants to Canada left the Dominion at the height of the greatest expansion in our history. This includes deaths, of which statistics are lacking but which are estimated at less than 90,000. Simultaneously, with this emigration, over 171,000 native born Canadians left the country.

10. During the decade 1911-1921, 1,728,921 new immigrants entered the country, but our immigrant population was but 369,000 larger in 1921 than in 1911. Of the missing 1,412,000 some died and some doubtless went home having amassed a competence. The majority, however, did not establish a permanent foothold and left Canada after a comparatively short stay. In 1921 only 50.3 per cent of the survivors of the 1911-21 immigrants were still in Canada. During the whole decade natural increase was 1,399,599 but we lost some 187,599. Thus at the end of the decade, instead of a total possible increase of 3,128,530, the net increase found was 1,581,000. It is true that the loss of life and migration resulting from the Great War made this an abnormal period, yet these factors cannot have accounted for more than a fraction of the loss of population. There can be no doubt that the Dominion received additions to its population both from within and without during this decade at least twice as fast as it could absorb them.

11. Again in the decade 1921-31 the Dominion received an access of population over and above its needs. There was an excess of births over deaths of the native born amounting to 1,582,000 while approximately 335,000 Canadian citizens returned from the United States making a total of 1,917,000 recruits to the numbers of Canadian-born nationals. In addition 1,509,136 immigrants entered the country, of whom about 1,482,319 were still alive in 1931. Had all, both native born and immigrant, remained, the population would have increased during the decade by 3,399,319. The actual increase as shown by the Census of 1931 was 1,588,000, being 329,000 less than the net increase that might have been produced by additions to Canadian-born alone, without migration. The permanent gain in immigrant population was only about 351,000. Thus it is again apparent that in the decade just closed, native increase and immigration supplied Canada with more than double the numbers she could absorb.

12. From calculations based on the Censuses of 1921 and 1931, on the percentage of immigrants still living who arrived in any decade and are still in Canada, we find that only about 26.3 p.c. or 1 in 4 remain for a period of over 30 years, 38.8 p.c. for 20-30 years, around 42 p.c. for 10-20 years, while a little over 50 p.c. remain after from one to ten years. That is to say, of those arriving in a decade almost half have emigrated by the end of the decade; to obtain one permanent immigrant Canada has had to allow three others to enter.

13. On the face of it a record like the above should give us "seriously to think". The outstanding fact is the state of flux and confusion it represents in the process of building up our population - a condition which has serious repercussions upon the social welfare. To recapitulate: out of, say, 4,000,000 native-born Canadians, bred within the country since the beginning of the century, we have seen no less than 704,000 leave the country, while of over 5,000,000 immigrant arrivals simultaneously brought in at heavy expenditure, of whom about 4,700,000 were still living in 1931, almost 2,700,000 failed to take root. These facts are not new to the national consciousness, though it may be doubted if their significance has been fully grasped or their explanation sought as yet in a sufficiently

effective manner. Some ebb and flow and even a considerable degree of maladjustment may be accepted as unavoidable in a country so far-flung and of such varied conditions as ours. But because we are still a "new" country, the view that we must still go afield for population and deliberately recruit our man-power from outside, is one that should receive very careful scrutiny.

14. To throw light on this general situation we propose to examine briefly four main features that seem to uncover the roots of the matter:

(1) What is the real absorptive capacity of Canada, beyond which additional population is simply thrown out and represents therefore wasted effort?

(2) As between native increase and immigration, how does the one react on the other?

(3) What have been some of the repercussions of immigration on the social and economic conditions of the country?

(4) How should our answers to the preceding colour our views for the future?

How Rapidly Can the Dominion Absorb New Population?

15. The population of any country may be increased (a) by the surplus of births over deaths, (b) by repatriation of its citizens from abroad, and (c) by immigration. From time to time as we have just seen, the increase produced by these causes in conjunction has been more rapid than the country could retain, i.e., population has outrun employment, resulting in an emigration that has involved both immigrants and native born. The simplest measure of the absorptive capacity during various decades is afforded by successive censuses, which show the net increase of population in each decennial period. During the past eight decades the average net yearly increase of population (compounding births, deaths, immigration and emigration) has been as shown in the following table:-

Decade	Average net yearly increase in the population of Canada
1851-1861	77,100
1861-1871	53,300
1871-1881	63,600
1881-1891	50,800
1891-1901	53,800
1901-1911	183,600
1911-1921	158,100
1921-1931	158,800

16. During the first decade of the present century, the capacity of the Dominion to absorb population was increased by the opening of the western provinces, with abundant employment created by the free land available and the rapid extension

of capital equipment. The annual net increase in this decade was the highest in our history (183,600). It sank to 158,100 in the ensuing decade, and remained at 158,800 in the decade 1921-31.

17. Under existing conditions the surplus of births over deaths, although it has dropped from an average of 124,750 for the period 1931-1935, is still producing an annual natural increase in 1937 of 106,294; in addition about 5,167 Canadians returned from the United States during that year. From these two sources we have at present a possible increase of 111,461 annually in native-born population alone. As compared with annual absorptive capacity during the last decade there is a difference of around 47,000. This, together with the losses through emigration, represents the leeway to be made up by immigration, provided that the absorptive capacity has remained the same after 1931 as in the decade 1921-1931. But the above does not exactly state the existing case. During the past twenty years there has developed a core of unemployment some of which should be taken into account in reckoning absorptive capacity. If we subtract the increase in the numbers found unemployed at present, as compared with the average for the decade 1921-31, from the total gains of the decade, the annual absorptive capacity is found to be about 139,000.

18. Another consideration involves our relations with the United States. As is well known the United States has on occasion acted as a safety valve for our excess population and has thus relieved us in times of economic crisis. Unemployment and immigration restrictions in the United States have practically closed that safety valve. In fact the total number of people leaving Canada for all countries voluntarily or involuntarily is now estimated at only 24,000 a year.

19. We may sum up the actual situation of today as follows: Deducting the above mentioned emigration from the present increase of 111,000 in the native born we have an annual net increase of 87,000 without immigration. But we were still admitting 15,101 immigrants in 1937. The net increase that is being made in our population is therefore about 102,000 a year at the present time.

20. Now, if the absorptive capacity had remained the same as in the decade 1921-31 we would have a natural increase which would be 37,000 under the number we could absorb. However, since 1931 a large number of the accretions to the population during the 1921-31 decade have left, as we know that in 1932 the emigration was around 42,000 which is 18,000 more than at present. Thus it can be said that Canada could absorb about 20,000 more than she did in the year 1937 provided of course economic conditions within the country were the same as in 1921-31. But at present, it seems as if the 102,000, gained from natural increase, returning Canadians, and restricted immigration, is all that the country can absorb. Of course we must consider the fact that some emigration of the Canadian born is a normal tendency. We now turn to a brief examination of the latter important point.

Does Immigration Displace the Native-Born Population?

21. It is a fact that is not always realized that the natural increase of Canadians would have sufficed in point of numbers to make up the entire growth that has taken place in the Canadian population since 1851. In the first place the highest population that can normally be given to Canada in 1931 is 10,000,000

as compared with the actual 1931 population of 10,376,786. A population that is brought up to a certain figure by unemployment and by a recently arrived foreign element is not a normal population.

22. In 1851 the population was 2,385,000. To grow to ten millions in 80 years would mean a yearly natural increase of 18 per thousand - a very moderate natural increase. As compared with other countries, Canada would have had no difficulty in attaining a population of ten millions by 1931. Thus for all the immigrants who arrived since 1851 the equivalent in Canadian born or immigrants must have left. But it has been held that a considerable emigration of Canadian born was inevitable and that immigration was therefore needed if the great natural resources - particularly the land - were not to remain undeveloped. In other words, the common contention is that immigration has not displaced the Canadian born, it has replaced them when of their own volition they have left the country.

23. It is undoubtedly true that the attractions of the United States for a young and virile people like the Canadians is powerful. For example, the movement of people from the farm to the city which has had such conspicuous results in rural depopulation throughout the world, has not been stopped by the international boundary in the case of Canada to the extent that prevails elsewhere. Many great cities of the United States are as near to large sections of the Canadian countryside as are our own cities of Winnipeg, Toronto and Montreal, and being larger they exercise an even greater attractive force. For many years large numbers of ambitious young Canadians have been drawn to the United States in search of opportunities - in business and industry, in the professions and in the arts and sciences - available only in the largest centres of population. Apart from this there are always some who find an irresistible attraction in "pastures new".

24. But the number of all who can be included in the category just mentioned - i.e., those who voluntarily and without compulsion other than an inward urge have left Canada for the United States - is much smaller than is believed. What has fundamentally governed the situation is economic pressure: though the Census shows that there have been new openings enough of one kind or another to give employment to all native-born Canadians when they reach maturity there have not been enough such openings for the combined accretion of both the native-born and the immigrant.

25. Members of both these classes therefore have been forced out. To prove that in this process of readjustment there has been definite displacement of native Canadians by immigrants (as well as of previous immigrants by new immigrants) the following facts among others may be adduced:

(a) Whenever immigration into Canada has exceeded in any high degree the annual absorptive capacity of the country, as shown by the Census, it has been followed within two or three years at the most by a corresponding increase in emigration. If the emigration from Canada had occurred first in point of time, and the immigration had followed, it might have been argued that Canadians had left because of their attraction elsewhere and that immigrants had come in to fill the vacancies thus created. In experience, however, the waves of immigration have come first and unemployment and emigration have supervened.

(b) A study of the Census of Occupations in Canada shows that immigrants have been displacing Canadians in numerous occupations, including some of those commonly regarded as being the most desirable. From 1911 to 1921 the number of jobs in Canada, as measured by the total number of gainfully employed persons, increased from 2,723,624 to 3,173,169 - an increase of 449,545. Immigrants secured 179,600 of these new jobs (40 p.c.) while 269,945 were thus left obtainable by native Canadians. From 1921 to 1931, the increase in number of jobs was 754,061, of which the immigrants secured 246,534 (or 33 p.c.) leaving 507,527 for the Canadian born. But in the decade 1911-21, 1,054,623 Canadian born arrived at the working age while in the next decade, 1921-31, 1,147,000 Canadian born arrived at the working age. In either of these two decades, the number of Canadian born arrivals was well over the number of new positions. Emigration has been largely from the groups characterized by immigrant influx.

(c) It is widely believed that the jobs taken by immigrants are largely connected with farming, manual labour, domestic service, etc. - work which native Canadians it is said do not desire. The evidence from the Census does not bear out this belief. More than half of the gains among Canadians between 1911 and 1921 for example were in the number of farmers' sons and labourers while more than half of the immigrant gains were among office employees and in trade ("white-collar" jobs). In domestic service the number of native Canadians has increased while the number of immigrants has diminished. The same is true for the decade 1921-31, and although there are no later data it is not unreasonable to suppose that the same state of affairs continues. It is difficult to maintain, therefore, that Canadians will not work on the farm or as labourers or domestic servants and that it is necessary to import population to do such work. On the contrary it appears that a large proportion of the work obtained by immigrants is of a type that native Canadians do perform.

26. The above is strengthened by an examination of the factors which have militated to the advantage of the immigrants in the competition with native Canadians. Those immigrants who arrived between 1901 and 1913 enjoyed of course the unique advantage presented by the opening of the West. Later between 1914 and 1918 not a few profited by the absence of former immigrant and Canadian-born men on military service. But apart from these "advantages of opportunity", most of the immigrants who have secured a foothold in Canada possessed one or more of the following three attributes of "fitness to survive" in Canada:

(a) <u>The fitness of the single adult</u>. A single man can live on lower wages, with a minimum of comforts, and can settle in an area where there are no schools, while a married man has to consider the welfare of his family. Immigrants included a very large proportion of single adult males. Emigrants from Canada have included a more than proportionate number of young married couples with children, i.e., the economically weak.

(b) <u>Fitness in respect of age</u>. The immigrants arrive at the average age of 26 ranging largely between 20 and 35. This is the most fit age for work. One such immigrant could take the place of more than one boy or elderly man or even of a family. In particular, the Canadian youth is at a disadvantage with such a competitor.

(c) <u>A fitness peculiar to certain races</u> which have secured a strong foothold in the Prairie Provinces and elsewhere, namely, the propensity to settle in <u>blocs</u>, excluding other races and forming strong continuing nuclei to attract,

absorb, and assist subsequent immigrant arrivals of the same races. Canadians are lacking in such exclusiveness; in fact their tendency is to welcome the newcomer and assist him to employment.

27. There is much evidence to prove - if it were necessary - that the great majority of Canadians who have left their native country, do so with regret and that if they could have found employment at home they would have preferred to remain. Of the 2,077,783 persons born in Canada and not living in the province of their birth, it was found in 1931 that no less than 791,394 had gone to some other province in Canada, while 1,286,389 were living in the United States. Most of the latter had settled near the Canadian border. In view of the relative size of the two countries and other geographical considerations, we might have expected ten times as many Canadians on leaving home to seek their fourtunes in the United States as in Canada. As it was, 38 per cent chose to remain in Canada, though many had to travel half-way across a continent to do so; thus the International boundary does exercise a potent retaining influence. The emigrating young couples with children previously mentioned are particularly not of a class that willingly break up their homes and affiliations if suitable employment is available. It may be repeated that emigration from Canada has been heaviest in times of unemployment and from occupational groups which have just received a large immigrant influx.

Social and Economic Repercussions of Immigration.

28. That an infusion of new blood in a community often works a benefit may be accepted without cavil. Some virile and valuable elements in the Canadian population have been recruited from the immigration of the past 30 or 40 years. At the same time it must be remembered that stresses and strains of an injurious nature are set up by any pronounced change in the content of a population. The reception of immigrant population, in other words, involves certain economic, social and political difficulties which do not arise when the population grows in the normal manner by natural increase. Some of these difficulties occur more particularly from non-British immigration; others are common to all types. Collectively they are serious.

29. The Canadian "melting-pot" problem has arisen largely from the immigration of non-British races. The immigrant who arrives in Canada unable to speak either of the dominant languages of the country, deprived of the support of his old associations, ignorant of his new environment, and debarred from the rights of citizenship, (which he could not exercise intelligently if he had them) has lost some of the feeling of civic responsibility he had in his native country. His natural tendency is to gravitate to the society of others of the same race and language. In this way, blocs are built up, not only in the Prairie Provinces, but also very conspicuously in the larger cities of the east.

30. Immigrants in these blocs, and even to a less extent their children, resist assimilation in varying degrees. From a study of the Census it is seen that a greater percentage of certain races of immigrants are unable to speak English or French than other races. Again, illiteracy in Canada is closely connected with the immigrant population, and racial tendencies in this regard persist for several generations over and above the influence of environment. Again the immigrants of certain stocks show little desire to become naturalized and thus acquire full citizenship. Others again (Orientals, Hebrews, and certain of the Slavic peoples)

appear, thus far, to be practically unassimilable on the basis of intermarriage with the basic races of the country, which is one of the most potent instruments of assimilation. Features like these are an obstacle to the development of national solidarity and a common culture.

31. All these problems arise chiefly from the admission of immigrants of non-British races. Had we continued to admit such immigrants on the pre-War scale or even on the scale of the years following the War, their descendants if they had remained in this country might easily have reproduced in Canada, something approaching the racial cleavages that characterize, say, Czecho-Slovakia today. But there are other economic and social consequences connected with immigration on a large scale even when the immigrants do not differ in race and language from the inhabitants of the country to which they come and these also may be observed in Canada. We may mention four of these as follows:-

(a) The first is the profound disturbance of the age and sex distribution of the population. The immigrants to Canada have contained a high proportion of unmarried adults; thus for some time the number of workers per hundred of population was abnormally increased and earning power per dependent became abnormally large, leading to undue financial optimism. Later (some time between 1911 and 1921) large numbers of these immigrants married within a short period, and there was a rise in the number of births. In Saskatchewan the number of married women and children under 10 per 100 males over 20 increased between 1911 and 1921 from 112 to 156 and was still in 1936 about 125. Although the number of dependents under 10 has been decreasing, the proportion of dependents to males over 20, is much higher than 125. Since this figure only includes the dependents under 10, they do not take into consideration the older dependents. As shown in the Census monograph on the Dependency of Youth, the average length of dependency increased one year in the decade 1921-1931 and seems to be still increasing. Then again large numbers of the males over 20 have failed to take on family responsibilities. The third phase of this movement is for the future to develop, namely, that whereas most of those who remain of the immigrants of 1907-13 are still of working age - in a few years they will be over 70. Thus it can be shown on the basis of age distribution and death rates in 1931 that the number of persons over 70 years of age in British Columbia will in all probability be around 44,000 or over 4½ times as great as the 1921 population, while no such proportional growth can be expected in the population who will then have to support them. In the decade 1921-31 the general population increase in British Columbia was at the rate of 32 per cent whereas the increase in the number of persons over 70 years old was at the rate of 116 per cent. In Canada as a whole the total population increased only about 18 per cent between 1921 and 1931 while the population over the age of 70 increased almost 40 per cent. In 1921 and in previous censuses, the numbers 70 years old and over in the western provinces were negligible. But in the last decade the immigrant population who were of adult age on arrival began to go over the 70 year mark and this will continue at an increasing rate for the next 20 years. This increase is due mainly to abnormal age distribution caused by immigration and emigration. The effect upon the cost of old-age pensions, institutions for the care of the aged and feeble, etc., is obvious.

(b) A second effect is found in connection with employment. While the quantity of work has increased pari passu with the total population, immigration has increased the proportion of the population enrolled in the working forces with

the result that the average amount of employment available for each has declined. Single males are able to underbid and drive out heads of families, and juveniles are compelled to remain dependent for a longer period because of the competition of such adult immigrants. Unemployment relief and extra schooling costs may be mentioned in this connection. Opinions may differ as to the causes of the various depression periods which have occurred in Canada, but there can be no doubt that immediately preceding each of them there was a sudden accretion of population by immigration. This was followed by economic depression and a subsequent outflow of population by emigration.

(c) The above naturally affects the marriage rate and the birth rate. These effects are particularly clear in the Prairie Provinces where the number of young married males has not kept pace with the total population and did in fact greatly diminish between 1921 and 1926, as appears from the following table.

Year	Married Males		Total Population
	Age 20-24	Age 25-34	
1916	11,875	104,382	1,698,137
1921	11,076	103,321	1,956,082
1926	10,012	85,386	2,067,393

This diminution in the number of young married people may be traced to emigration to the United States and postponement of the age of marriage in Canada, both attributable in part to the pressure of population upon employment. It can scarcely be doubted that the same influence which delays marriages in Canada and causes the heads of families to leave Canada in search of employment is also operating to reduce the number of children born to families which remain in Canada.

(d) Immigration also increases the burden of crime in Canada due to the facts (1) that immigrants are preponderatingly males and at the ages associated with crime, and (2) that they constitute or create a floating population without local connections or secure means of livelihood. A floating male population is subject to special temptations, while it lacks the sanctions and protections of a settled community. By correlating total convictions for crime with (a) total population and (b) floating population (incomers plus outgoers), it was found that man for man the floating population counts 13 for every 1 that the steady population counts in the number of convictions. As a condition for crime, there has been created by immigration movements, local congestions of different classes of people in small areas, also restlessness and removal from customary surroundings. Newcomers, ignorant of the customs of the country, also fall easy victims to the unscrupulous. Canadian reformatory and penitentiary statistics show that the proportion of convictions has been twice as great among immigrants as among the Canadian born.

32. These difficulties of assimilation are of course less important in the case of British immigrants, but even the admission of the latter in large numbers causes violent and costly disturbances of age and sex distribution, unemployment and emigration of the Canadian born (with resultant separation of families, postponement of marriages and reduction of the birthrate and an increase in various social burdens). These and various similar evils are mitigated when a country relies chiefly upon natural increase to recruit its population.

The Present Situation and Outlook

33. Coming finally to the present, there already appears in sight a sufficient labour supply to meet Canada's requirements during the next few years. The Census of 1931 showed that there were then almost one million young Canadian males between the ages of 15 and 24, with over half a million more between 10 and 14 ready to succeed them. Again at the present time there are almost 1,100,000 estimated young Canadian males of ages 15-24, with over 550,000 more of ages 10-14 to succeed them. Now in 1938, there were only 800,000 positions gainfully occupied by persons of age 15-24 in Canada. That Canadians have a "prior claim" upon new opportunities opening up in Canada and are at least the equals of any others who might be admitted into the country will be conceded. If the amount of new work in Canada is not more than sufficient to employ such native born as they come to maturity, the question arises whether there is justification for admitting others - without at least the fullest investigation of all attendant circumstances. If, again, funds are available to subsidize land settlement, it appears reasonable to suggest that the sons of Canadian farmers (of whom there is no lack) should have the first consideration. When Russia, some thirty years ago, undertook the systematic colonization of Siberia, it was not by immigration but by transfers from her own village communities that the task was completed.

34. We may elaborate somewhat also on the changed situation with regard to the United States, to which reference has already been made. For many years the doors of the United States stood open for people unable to find work in Canada. When immigration increased the workers of Canada beyond the number who could find employment, large numbers of these workers and their families, including also many young people who had not yet held jobs in Canada, emigrated to the United States. Even during the period 1921-1929, United States statistics (which err, if at all, on the side of incompleteness) record admissions of more than 95,000 immigrants a year whose last permanent residence was in Canada or Newfoundland. As long as the United States provided this outlet for those who could not find work in Canada, any excessive increase in the Canadian labour supply could be and was partly counterbalanced by corresponding emigration to the United States. Now that outlet is practically closed.

35. To realize the changes in the United States immigration policy we must recall that about 25 years ago our neighbours admitted 1,218,000 immigrants in a single year. Under the Immigration Act of 1921 a quota of 357,803 was set, the desirability of Canadian immigrants being acknowledged by the absence of a quota for Canada. In 1924 the quota was reduced to 164,667 and it now stands at 153,900, actual admissions being now much lower than even this last figure. In the fiscal year ending March 30, 1930, total immigration into the United States (including both quota and non-quota groups) was 241,700. By 1937 it had diminished to 50,244. Canadian-born immigrants have not yet been subjected to a quota, but the combined effects of administrative restrictions and economic depression have reduced their numbers even more drastically. During the fiscal year 1929-30, 63,502 Canadians were admitted into the United States as immigrants; in the following year this number was 21,687, while in the last years for which figures are available (1936-37) there were only 11,799 a year. Scarcely any immigrants of non-Canadian origin are now being admitted into the United States from Canada. In a word emigration to the United States has been reduced to all but the vanishing point.

36. As long as the United States continues her present immigration policy, we may be sure that if we admit a larger number of immigrants than we can employ, we shall ourselves have to take care of the surplus - unless Canada is willing to accept the odium and expense of sending them back to the country whence they came. Europe is also suffering from economic pressure and not many of the present immigrants have the means and the willingness to return voluntarily.

Economic Conditions Necessary to Support a More Rapid Growth of Population.

37. Economists formerly taught that increased population creates new demands sufficient to provide employment for itself. This may have been true in the past, but it is not necessarily true under modern industrial conditions. With the general increase of mechanization, fewer people can produce more goods and services, and technological unemployment has made its appearance in farm and town alike. To find employment for the workers thus displaced, it is necessary to increase the effective demand (either domestic or foreign) for what they produce. If Canada's capacity to absorb additional population is to be increased, there must be in this country a proportionate expansion of employment in primary or secondary industries (or both) based to some extent upon new capital investments in the Dominion and requiring increased demand at home or abroad to support it.

38. The original Canadian stocks were those recruited from the British Isles and France. Their numbers and those of stocks otherwise derived, together with their increases, absolute and relative, since the beginning of the century are shown in the following tables:

Population of Canada

Year	British	French	Other	Total
1901	3,063,195	1,649,371	658,749	5,371,315
1911	3,999,081	2,061,719	1,145,843	7,206,643
1921	4,868,738	2,452,743	1,466,468	8,787,949
1931	5,381,071	2,927,990	2,067,725	10,376,786

Increases

	British	French	Other	Total
1901-11	935,886	412,348	487,094	1,835,328
1911-21	869,657	391,024	320,625	1,581,306
1921-31	512,333	475,247	601,257	1,588,837

Per Cent Increase

	British	French	Other	Total
1901-11	30.6	25.0	73.9	34.2
1911-21	21.7	19.0	28.0	21.9
1921-31	10.5	19.4	41.0	18.1

39. At the comparative rates of increase of 1921-1931, the "other" races would overtake the combined British and French populations some time before the end of the century. It is interesting also to examine the comparative changes in each group during the last decade through births, natural increase, immigration and emigration. [x]

	British	French	Other	Total
Births	1,011,340	900,771	487,592	2,399,703
Natural Increase	482,883	528,879	322,607	1,334,370
Immigration	568,772	23,393	514,165	1,106,330
Emigration	539,486	77,036	235,874	852,397

40. The most arresting figure in the above is perhaps that of British emigration. The U.K. Board of Trade returns show that the destination of most of these departing British immigrants for the last two decades has been the British Isles. It might be argued that we gained nothing through British migration during the last ten years, but we lost population of British racial origin through the incidence of immigration from other countries.

Present Economic Conditions.

41. During the continuance of present economic conditions, the complete stoppage of immigration might be justified by entirely selfish economic considerations. That there has been a close association of the prevailing unemployment with the immigration of the preceding years is apparent, though demonstration would require too much detail for the present memorandum. Two exceptions to a policy of complete stoppage of immigration would appear necessary. The first is the admission of wives and children of persons now in Canada, especially those able to support these dependents. The second exception is in the case of immigrants bringing capital sufficient to provide for their own employment without displacing others already established here. This practically restricts the class to persons genuinely intending to operate farms, and having sufficient capital and ability to do so without assistance, or to persons having new techniques or otherwise meeting a special need. Any other new immigrants who may succeed in establishing themselves in Canada at the present time can do so only at the expense of people already domiciled in the country.

42. That the above is true of industrial and office workers, professionals, domestics, and general labourers, is obvious. It is also true of any juvenile immigrants who might be brought into Canada and placed by philanthropic organizations. Irrespective of the merits of such immigrant children, there is no lack of Canadian children to fill the places that might be found for them. Any such philanthropic action on behalf of the immigrant children at the present time results in a corresponding diminution of the opportunities for Canadian children.

43. Under present economic conditions, therefore, careful thought should be given to a permanent immigration policy. The number of persons who can be safely admitted each year will depend upon the absorptive capacity of the Canadian economic structure, the rate of natural increase, and the rate of emigration from Canada.

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[x] Returned Canadians omitted is not divided by origins in the returns.

All these movements are known and should be weighted with care. In particular we now have a full knowledge of population growth in its various manifestations and principles since the early days of the Dominion - with extrapolations for the future based primarily on the Census of 1931. We should also have a like careful survey of the natural resources and industrial possibilities of Canada, with special reference to the population they can support.

44. Throughout this memorandum two assumptions have been made, namely, (1) that we contemplate the maintenance of something like the present standard of living in Canada, and (2) that no radical change in methods of production and distribution or in the control of incomes is proposed. On these assumptions we may in conclusion repeat the figures which indicate the cardinal feature in the situation. In brief, it appears that for twenty years past, Canada has not in actual fact been able to absorb an increase in populations of more than 139,000 a year (including, of course, natural increase as well as immigrants), and that the present absorptive capacity of the Dominion is probably not more than 120,000 a year. It must be remembered that even in the exceptional decade 1902-12 the number absorbed did not pass 183,000. The actual movement of our population is at present about as indicated in the following table for the year ending May 31, 1936:

Increases	
Natural Increase	117,232
Returning Canadian	5,296
Current Immigration	11,474
	134,002
Decreases	
Emigration to U.S.A.	7,991
Emigration to Europe	16,268
	24,259

45. There can be no doubt that if economic conditions were such as to afford opportunities for those already in the country and the number of immigrants coming in, the loss by emigration would be negligible. At bottom the choice of an immigration policy for Canada is indissolubly connected with the search for markets for Canadian products. While it need not be asserted that all immigration is inimical, it would clearly appear to be so with minor exceptions for the present, and equally clearly for the future that it should be scrutinized and regulated in a new way altogether. Assisted immigration of the kind exemplified in much of past policy should almost certainly cease; this applies to both public and organized private assistance, whether rendered from the Canadian end or in the country from which the immigrant comes.

46. To be still more specific, before further population is introduced into Canada from outside, we should know definitely (1) where the immigrants are to be settled; (2) what are the natural resources of the area they will exploit; (3) in connection with the latter, the outlook for markets, etc., in relation to potential population; and (4) the "behaviour" of the population of the area in question over the past quarter century. Perhaps the chief service that could be rendered to a clear envisagement of the immigration problem would be to receive a statement of proposals in detail against the background of particular areas. The difficulty with the problem at present is that it is treated "in the large", whereas in the working out it is very far from being "abstract" or "general".