

OCASI Position on the CIC cuts to Ontario Settlement Funding

March 9, 2011

In December 2010, agencies in the immigrant and refugee serving sector began receiving communication from Citizenship and Immigration Canada (CIC) informing them of their eligibility to negotiate new contracts for 2011-12 and 2012-13. Thirteen member agencies of the Ontario Council of Agencies Serving Immigrants (OCASI) all in the Greater Toronto Area, were notified that their contracts would not be renewed, effectively defunding them, while many more agencies were notified that their budgets would be reduced, by an average of 20%-30%.

These cuts in settlement funding are a result of a Strategic Review that sought to cut 5% from CIC's budget, and amount to almost \$44 million in Ontario. Another \$6 million in Strategic Review cuts are expected in 2012-13. In addition, CIC has announced that in 2012-13 the new Settlement Allocation Model will be applied to Ontario, resulting in an expected additional \$20 million in cuts to settlement funding if allocations are determined by 2009 landing numbers.

These significant cuts to the services and programs of the sector were unexpected, unwarranted and are short-sighted. The Ontario sector has been unnecessarily disrupted with the biggest impact on already vulnerable individuals, families and communities. Of the thirteen defunded OCASI member agencies (other agencies in the GTA also lost full CIC funding), almost 50% (6) are organizations that work directly with racialized communities. And of those six, four are organizations working with African communities.

Intentional or not, this disinvestment in integration programming differentially impacts communities that have been hardest hit by the recent recession and who have historically been over-represented in groups experiencing underemployment, regardless of comparable education and employment histories, and who because of issues of discrimination are critically marginalized socially and politically.

Francophone Immigrant communities in the southern part of the Province were also significantly impacted. As fairly new immigrant populations, primarily from French-speaking Africa, Haiti and the Middle East, investments in these communities are very important. Capacity development, infrastructure support, and programming geared to meet the specific needs of these communities had all been identified by the sector and government as priorities. Cutting funding at this critically important time in the development of these organizations undermines and is a significant setback for these communities who are the 'minorities within the minority'.

Other individuals and communities that will be significantly impacted by cuts to organizations' program funding include racialized women and LGBTQ immigrants and refugees whose only place of refuge and support are often these immigrant and refugee-serving agencies.

To fully appreciate the impact of the cuts, it is important to examine them within an historical perspective. For over a decade (1995-2005), the federally funded immigrant and refugee serving sector in Ontario experienced funding stagnation while program and service delivery costs increased, the demands and requirements for effective settlement and integration interventions became more complex, and the accountability requirements from government became increasingly strenuous. The Canada-Ontario Immigration Agreement (COIA), a 5 year agreement signed in November 2005, recognized this historical imbalance in the federal program and attempted to remedy the underfunding of Ontario's immigrant and refugee serving sector through the infusion of funds for services and program delivery that recognized real costs. The decision to claw back over 11% of these funds from the Ontario Region budget fails to recognize the redress that was built in to the first COIA.

The underlying principles of COIA were partnership and good faith, and reflect the first recommendation of the Blue Ribbon Panel on Grant and Contribution Programs that calls on government to respect funding recipients as partners in a shared public purpose. CIC Ontario Region and the immigrant and refugee serving sector effectively built on these principles over the last five years, creating an environment of mutual respect and strong communication. OCASI strongly believes that engaging the sector in addressing both the challenges and opportunities we face allows us to own the solutions and is the most effective way to ensure a strong and vibrant sector.

Good partnerships are built on stability and consultation, and ideally there should be no surprises between parties. However, immigrant and refugee serving stakeholders and other funders have been completely blindsided by the cuts, by both the decisions and the manner in which they are being implemented. The lack of consultation and goodwill are effectively undermining the partnership between the sector, CIC, the provincial Ministry of Citizenship and Immigration and other stakeholders. It is a blatant disregard of any sense of fairness and is resulting in the loss of our collective investment in building the capacity of individual agencies and the communities they serve.

The decision to defund a number of agencies and significantly reduce the funding to many more, and the manner in which this is being carried out, fails to recognize their multi-year existence, the investment of time and energy, and their importance as bases of community development and bridges to integration for future citizens. The cuts will have a direct negative impact on leadership development within these communities, a critical step in successful integration.

OCASI has been working in good faith with CIC to negotiate the best outcomes possible for our member agencies. Critical requests made on behalf of the membership and the sector include a

review of the decisions and the decision-making process, financial support to cover the wind-down costs (particularly severance packages and third party lease agreements of those agencies that choose to close), and allowing agencies to keep their CIC purchased assets. It is important to understand that while CIC funds a large portion of many agencies' budgets, most agencies leverage multiple funding sources, a fact that in the past has been acknowledged and supported by CIC as a pragmatic strategy that provides the best return to Canadian society.

The refusal of CIC thus far to negotiate any compromises signals a lack of goodwill and respect for the sector and its work, and does not recognize the reality of inter-connected funding sources. For example, the demand that agencies whose contracts have been terminated return all CIC purchased assets, from bookshelves and computers to kitchen sinks, undermines the public good and the ability of these agencies to innovate and reinvent themselves to continue serving their communities through other funding sources. Directing other CIC-funded agencies to retrieve these assets is mean-spirited and reinforces feelings of disrespect and instability.

Implementing the new Settlement Allocation Model at the same time as the cuts resulting from the Strategic Review will magnify the impact of the cuts. The Allocation Model does not consistently track the national mobility of newcomers or adequately recognize the fact that Ontario has a higher proportion than other provinces of future citizens arriving through the Family Reunification class and as refugees. Refugees require a complex suite of services and expertise that the sector has developed over the years and which may be jeopardized by the funding cuts in particular areas of the province. While the new Allocation Model gives some recognition to refugee numbers, the sheer number arriving to Ontario is not adequately acknowledged.

A further recommendation of the Blue Panel calls on Departments to fund multi-year projects with multi-year agreements in order to reduce the instability and costs to organizations. This recommendation was adopted by CIC as is evidenced by the Terms and Conditions of Contribution Agreements that allow for multi-year funding agreements. Yet CIC is now offering only 1 year contracts, a move which further destabilizes organizations already undergoing significant budget cuts.

The priority of OCASI and its members is providing the best possible services and programs to immigrants and refugees that lead to their full participation in the social, economic and political life of the province and country. Looking to the future, OCASI is concerned about negative effects of instability in the sector and the sector's ability to provide high-quality services and programs. We call on CIC to renew its relationship with the sector, and to continue building on the positive relationship that we have all worked so hard to develop through consultation, communication and transparency.

The very positive support shown by Parliamentarians in their vote on March 2, 2011 to support the motion to reverse the cuts to the national settlement and integration program should not

be for nothing. We continue to urge the Minister of Immigration, Citizenship and Multiculturalism, Jason Kenney, to honour the will of Parliament by revisiting the decision to cut funding to critically important services to new Canadians, particularly in Ontario.

Immigrants succeeding economically, politically and socially means Canada succeeding. Undermining the structures put in place to facilitate this success by disinvesting in the sector mandated to carry out this work is politically and economically short-sighted.

We continue to call on the federal government and the Department of Citizenship, Immigration and Multiculturalism to:

1. Honour the will of Parliament by implementing the motion passed on March 2, 2011.
2. Implement a review of the decisions and the decision-making process for local settlement allocations for 2011-12 and 2012-13.
3. Declare a moratorium on further cuts to the settlement and integration sector in Ontario.
4. Support agencies' wind down costs including severance, lease buyouts and other third party agreement liabilities. At the same time extend the contracts of defunded agencies for at least 6 months to allow time for a seamless transition.
5. Allow agencies whose contracts have been terminated and who plan to continue operating to keep their CIC purchased assets.