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Evaluation of the Grant to Quebec

Evaluation Division

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Executive summary

Purpose of the evaluation

This report presents the findings of the evaluation of the grant to Quebec. It was conducted in accordance with requirements under the *Financial Administration Act* (FAA) which calls for departments to review, every five years, each on-going program of grants and contributions for which it is responsible.[1] The evaluation provides an assessment of the relevance and performance of the grant, in alignment with the five core evaluation issues outlined in the 2009 Treasury Board Secretariat (TBS) *Directive on the Evaluation Function*.

The grant to Quebec

The grant to Quebec is the mechanism used to transfer funds to the province of Quebec under a federal-provincial agreement, the *Canada-Quebec Accord related to Immigration and Temporary Admission of Aliens* (the *Accord*). The *Accord* was signed on February 5, 1991 and came into force on April 1, 1991. It is the fourth agreement between the Federal government and the province of Quebec with respect to immigration since 1971.

The funds provided in the grant are to compensate the province of Quebec for the delivery of reception and integration services in the province, following the federal government's withdrawal from providing these services in Quebec, pursuant to the *Accord*. The amount of the grant is determined using a specific formula, defined in Annex B of the *Accord*.

Evaluation scope

The evaluation focuses on the provision of the grant and not on the *Accord*. While the *Accord* sets out the rights and responsibilities of the province and the federal government with respect to the number of immigrants destined to Quebec and the selection, reception and integration of those immigrants, the grant is strictly designed to cover the delivery and administration of reception and integration services provided by Quebec (which includes settlement, resettlement and integration services for clients in that province). This is outlined in Sections 24 through 26 of the *Accord*[2], as follows:

> *24. Canada undertakes to withdraw from the services to be provided by Quebec for the reception and the linguistic and cultural integration of permanent residents in Quebec.*
>
> *25. Canada undertakes to withdraw from specialized economic integration services to be provided by Quebec to permanent residents in Quebec.*
>
> *26. Canada shall provide reasonable compensation for the services referred to in sections 24 and 25 provided by Quebec, if:*
>
> *a) those services, when considered in their entirety, correspond to the services offered by Canada in the rest of the country;*
> *b) the services provided by Quebec are offered without discrimination to any permanent resident of Quebec, whether or not that permanent resident has been selected by Quebec.*

[1] Financial Administration Act, Section 42.1(1).
[2] The full text of the *Accord* is available online at: www.cic.gc.ca/english/department/laws-policy/agreements/quebec/can-que.asp

The evaluation covers the period from 2006 to 2011. This timeframe was chosen to align with the coming into force in 2006 of the FAA requirement to evaluate all grant and contribution programs over a 5 year period.

Evaluation methodology and limitations

The terms of reference for this evaluation, including the methodology and the evaluation matrix, were approved by the CIC Departmental Evaluation Committee prior to the start of this evaluation.

The level of effort and lines of evidence used in this evaluation were calibrated in order to take into account the fact that the element being evaluated is a grant. In this instance, the recipient, the government of Quebec, is not required to report on results achieved. As a result, the amount of information available for this evaluation was limited, and the evaluation was calibrated accordingly.

A goal-based approach was used for this evaluation. It addresses the relevance and performance of the grant in relation to its key goal/objective which was to provide reasonable compensation to the province for the withdrawal of services by the federal government, as long as the services, when considered in their entirety, correspond to the services offered by Canada in the rest of the country and the services provided by Quebec are offered without discrimination to any permanent resident of Quebec.

For the most part, a non-experimental design was used, relying heavily on a review of program documents and interviews to answer the evaluation questions. That said, a quasi-experimental design underpins the longitudinal data analysis used in the development of the economic profile of immigrants to Quebec.

Five main lines of evidence were used to collect data and information: a document review, interviews with key informants, an analysis of administrative data, an analysis of longitudinal data, and an assessment of financial information. This provided a good balance of quantitative and qualitative lines of enquiry; however the following limitations are noted:

- The province of Quebec declined to participate in this evaluation. As a result, only publicly available documents were used to inform this evaluation and no interviews were conducted with representatives of the provincial government.
- While Quebec's Ministère de l'Immigration et des Communautés Culturelles (MICC) publishes an annual report which it submits to its National Assembly, this report does not provide a breakdown of how the grant money is used within the department or by other provincial government departments. As a result, it is not possible to link the funds to specific programming offered to immigrants in the province.
- Finally, while an analysis of the economic outcomes of immigrants destined to Quebec was undertaken, it is not possible to determine to what extent these outcomes are due to the settlement services funded by the province through the grant to Quebec.

Key findings

Relevance

Program need

Research has shown that immigrants have different resources and face various challenges during the settlement process. The federal government has provided funding to address these needs through a number of mechanisms, one of which is the grant to Quebec.

The grant to Quebec, a provision of the *Canada-Quebec Accord*, provides the province with the flexibility to deliver settlement services in alignment with the provincial objective of ensuring the integration of immigrants in Quebec in a manner that respects the distinct identity of the province.

Alignment with Federal Government and departmental priorities

The grant is aligned with federal government priorities with respect to federal-provincial relations, as CIC and Provinces/Territories share the common goal of making immigration programs responsive to the unique needs of each province and territory.

From a settlement perspective, the grant is aligned with CIC's strategic outcome of ensuring the participation of newcomers and citizens in fostering an integrated society.

Under the *Accord*, the federal government retains sole responsibility for citizenship. There is a question being raised however, with respect to CIC's ability to address the federal government's priority to ensure individuals understand Canadian values and are aware of their rights and responsibilities with respect to citizenship. To help individuals prepare for life in Canada and the citizenship test, information is often provided through settlement services, particularly via language training curricula. Language curricula in Quebec also follows this approach, however the focus is on providing information about Quebec culture.

Roles and responsibilities of the Federal Government

The federal government's role with respect to the provision of funding to the province of Quebec is appropriate, given the shared jurisdiction for immigration and the ability of CIC to enter into agreements with the provinces, as outlined in the *Immigration and Refugee Protection Act* of 2002.

As a result of changes to the *Financial Administration Act* in 2006, CIC must now evaluate every on-going grant program over a five-year cycle. Given that the province is not required to report to the federal government on the outcomes of the grant, CIC cannot fully adhere to this requirement.

Performance

Achievement of expected outcomes

When considered in their entirety, based on the document review and interviews, it appears that the settlement services provided in the province of Quebec generally correspond to those provided by the federal government in the rest of the country. Differences exist in how the programs are delivered, but in the absence of clear assessment criteria on which to base this comparison, a definitive conclusion on the degree to which the province is complying with this requirement cannot be reached.

Demonstration of economy and efficiency

The funds disbursed comply with the stipulations set out in the *Accord*. While the calculation of the grant amount is routine, the formula itself, which guarantees the grant amount will never decrease, is seen by interviewees as too rigid.

The approach to funding is deemed by interviewees to be economical from an administrative perspective. The routine nature of the grant calculation and the absence of any reporting requirements minimize the level of effort required to manage and monitor the administration of the grant. The evaluation, however, cannot conclude whether the amount of the grant represents the most economical use of funds.

The cost efficiency and effectiveness of the grant is also not known, as the province of Quebec is not required to provide the data required to conduct an analysis.

Recommendations

1. Given current FPT efforts to develop common settlement outcomes and indicators at the national level, it is recommended that CIC continue to engage the government of Quebec in discussing these common outcomes and indicators and in sharing information for the purpose of measuring and reporting on results achieved.
2. In order to help confirm that the reception and integration services provided by Quebec correspond, when considered in their entirety, with those provided by Canada elsewhere in the country, it is recommended that CIC:
    - re-examine and update the list of services set out in Annex B of the *Accord*; and
    - undertake an annual study of reception and integration services provided by Canada and Quebec.
3. It is recommended that CIC determine how the accountability requirements of the FAA apply to the grant, given that the province of Quebec is not required to report on settlement and integration outcomes under the grant.

Evaluation of the Grant to Quebec – Management response

Recommendations	Response	Action	Accountability	Completion date
1. Given current FPT efforts to develop common settlement outcomes and indicators at the national level, it is recommended that CIC continue to engage the government of Quebec in discussing these common outcomes and indicators and in sharing information for the purpose of measuring and reporting on results achieved.	CIC agrees with this recommendation and will continue to engage all PTs, including Quebec, in the discussion on common settlement and integration outcomes and finding ways to measure results for newcomers across Canada.	• Encourage Quebec's active participation in the Pan-Canadian framework to discuss settlement outcomes and indicators. • Continue engaging the government of Quebec in its capacity as observer through the ongoing FPT Settlement Working group on information sharing, providing input on policy, programs, research and other settlement and integration issues for immigrants in Canada. • Enhance contribution of Quebec's provincial government in its observer capacity and Quebec regional associations (la Table de concertation des organismes au service des personnes réfugiées et immigrantes) at the Settlement and Integration Joint Policy and Program Council (SIJPPC), which is a mechanism for collaboration, consultation and planning between the federal government, PT governments and the settlement sector. • In 2012/13, the Settlement Outcomes Survey will be administered to collect the data from 20,000 newcomers nationwide. The results of the survey will inform a comprehensive, nation-wide roadmap for improved outcomes across jurisdictions. • Quebec officials and stakeholders have been consulted on the scope and content of the Settlement Outcomes Survey. Given their responsibility under the Canada-Quebec Accord, the province of Quebec cannot be bound by the Pan-Canadian Framework for Settlement Outcomes. However, CIC will continue to include Quebec officials and newcomers in the plans for the survey.	Integration Branch Integration Branch Integration Branch Integration Branch Integration Branch	Two annual FPT face-to-face meetings and biweekly teleconferences (first meeting held in February 2012; next meeting tbc) Next SIJPPC meeting November 21-23, 2012 Summer/fall 2012 (expected results Spring 2013) Summer/fall 2012

Recommendations	Response	Action	Accountability	Completion date
2. In order to help confirm that the reception and integration services provided by Quebec correspond, when considered in their entirety, with those provided by Canada elsewhere in the country, it is recommended that CIC: • re-examine and update the list of services set out in Annex B of the Accord; and • undertake an annual study of reception and integration services provided by Canada and Quebec.	CIC agrees that an annual review of services as mandated in the Canada-Quebec Accord clearly requires the Joint Committee (Comité mixte) to study/re-examine, on an annual basis, the reception and integration services provided by Canada and Quebec (Annex A, art.3.g and 23.b). Such an annual review would ensure that services offered by Quebec, and compensated by the grant (a) correspond to the services offered by Canada in the rest of the country, when considered in their entirety; (b) continue to be reasonable; and (c) are offered without discrimination to any permanent resident of Quebec, whether or not that permanent resident has been selected by Quebec.	• Communicate to the MICC through existing bilateral governance mechanisms, advising of CIC's intention to engage Quebec in an annual review of reception and integration services, as agreed in the Accord. • The review will be led by the Joint Committee and will report the findings and recommendations to both orders of government for approval. • Based on the information provided in Recommendation #2, CIC will compare the settlement services and federal funding provided in Quebec with the rest of Canada, and assess whether compensation provided to Quebec continues to be reasonable, as indicated in Art. 26, Sect. III of the Accord, and paragraph 24(a) of Annex A. CIC and the MICC have established an enduring bilateral collaboration in a number of key program areas • Existing cooperation and consultation between CIC and Quebec on key language portfolios, including development of NCLCs (Niveaux de compétence linguistique canadiens) and a standardized French test (NCLC Milestones Test) to measure newcomers learning outcomes and FPT Language Training Forum (Forum sur la formation linguistique) will continue. As a first step, CIC and MICC co-funded a study of the alignment of the NCLC and the Échelle québécoise (final report May 31, 2012). • CIC continues to support the Anglophone communities in Quebec, in line with federal government responsibility under the Official Languages Act and section 3 of the Immigration and Refugee Protection Act. CIC will continue to provide funding for research and advancing knowledge on immigrants in Quebec's Anglophone communities. • Collaboration and information sharing on integration and preparation to citizenship services offered by both governments will continue.	IIR IIR Integration Branch Integration Branch Integration Branch Eastern Region Integration Branch and Citizenship	Q4 – 2012/13 Joint Committee report expected in Q4 2013/14 Following the submission of the Joint Committee report Multi-annual meetings and ongoing collaboration (last meeting June 6, 2012) Ongoing Bi-annual meetings

Recommendations	Response	Action	Accountability	Completion date
3. It is recommended that CIC determine how the accountability requirements of the FAA apply to the grant, given that the province of Quebec is not required to report on settlement and integration outcomes of the grant	CIC agrees with this recommendation. There are considerable challenges in collecting information on settlement and integration outcomes both in Quebec and the rest of Canada that cannot be underestimated. The Financial Administration Act (FAA) requires federal government departments to review all grants and contributions for which they are responsible. CIC cannot fully meet the FAA requirement, since there is no formal accountability mechanism built into the Canada-Quebec Accord for Quebec to report on settlement and integration outcomes resulting from federal funding. According to art. 6.7.4 of the Directive on Transfer Payments, the government needs to ensure "that accountability mechanisms are appropriately limited when transfer payments to other levels of government are to be unconditional". However, CIC may explore existing collaborative forums to encourage further sharing of information with the province of Quebec.	• CIC will communicate with the Treasury Board of Canada Secretariat to assess how to apply the requirements of the FAA to the Quebec grant. • Approach Quebec to establish more formal information sharing on settlement and integration outcomes and on the requirements of the FAA at high-level bilateral meetings (e.g. ADM and DM level meeting between CIC and MICC). • In addition to continuing multilateral collaboration (FPT Settlement Working Group, SIJPPC) CIC will engage Quebec through the Joint Committee and other collaborative forums (e.g. CIC regional collaboration, citizenship and integration working group) to share information on settlement and integration outcomes.	Integration Branch IIR Integration Branch IIR Eastern region	(tbc) Q3 – 2012/13 (engagement through bilateral DM meeting); Follow-up through monthly bilateral ADM calls Next SIJPPC meeting November 21-23, 2012 Next Joint Committee meeting February 2013

1. Introduction

1.1 Purpose of the evaluation

This report presents the findings of the evaluation of the grant to Quebec. It was conducted in accordance with requirements under the *Financial Administration Act (*FAA) which calls for departments to review, every five years, each on-going program of grants and contributions for which it is responsible.[3]

The evaluation provides an assessment of the relevance and performance of the grant, in alignment with the five core evaluation issues outlined in the 2009 Treasury Board Secretariat (TBS) *Directive on the Evaluation Function* (the evaluation matrix can be found in Annex I)

1.2 Structure of the report

The report is organized into five sections. Section 1 provides an introduction to the evaluation; section 2 presents the methodology used for the evaluation; a profile of Quebec permanent residents is provided in section 3; findings are presented in section 4; and section 5 summarizes the overall conclusions and presents recommendations.

1.3 The grant to Quebec

The grant to Quebec is the mechanism used to transfer funds to the province of Quebec under a federal-provincial agreement, the *Canada-Quebec Accord related to Immigration and Temporary Admission of Aliens* (the *Accord*). The *Accord* was signed on February 5, 1991 and came into force on April 1, 1991. It is the fourth agreement between the Federal government and the province of Quebec with respect to immigration since 1971.

The funds provided in the grant are to compensate the province of Quebec for the delivery of reception and integration services in the province, following the federal government's withdrawal from providing these services in Quebec, pursuant to the *Accord*. The amount of the grant is determined using a specific formula, defined in Annex B of the *Accord*.

The *Accord* does not stipulate that the province is required to report to the federal government on the use of the grant, but Quebec does table an annual report in its National Assembly.

While the *Accord* gives the province sole responsibility for providing settlement services to newcomers, the province, largely through the Ministère de l'immigration et des communautés culturelles (MICC), has an on-going relationship with CIC and is in regular contact with the department on a variety of issues related to integration and immigration, among others. Four main branches/areas in the department are involved, either directly or indirectly, in the management of the grant:

- The department's International and Intergovernmental Relations (IIR) Branch acts as the point of contact with the MICC and is in regular communication with them with respect to the management of the *Accord* and policy matters.
- The Quebec Region is responsible for day-to-day operational issues, most of which pertain to the *Accord* and not specifically to the grant.

[3] *Financial Administration Act*, Section 42.1(1).

- While Integration Branch is not directly involved in the management or administration of the grant, it is involved in federal-provincial settlement forums such as the Settlement and Integration Joint Policy and Program Council (SIJPPC), the Federal/Provincial Language Training Forum, and the FPT Settlement Working Group in which the province of Quebec participates. The FPT Settlement Working Group is currently working on the development of a national framework for settlement outcomes and the province of Quebec is participating as an observer. The province also participated in the consultations leading to the development of the National Settlement Funding Formula in 2007. The Integration Branch also collaborates bilaterally with the MICC within specific portfolios such as language related initiatives.
- The grant itself is administered by CIC's Financial Management Branch which is responsible for the calculation of the grant amount and payment.

The *Accord* established two bilateral committees to manage CIC-MICC relations: the Joint Committee and the Implementation Committee. The Joint Committee, co-chaired by a representative from the MICC and a representative of CIC (Assistant Deputy Minister-level), meets annually. It has a general mandate to "promote the harmonization of the economic, demographic and socio-cultural objectives of the two parties in the area of immigration and integration, as well as to coordinate the implementation of the policies of Canada and Quebec relating to these objectives"[4]. The Implementation Committee is also co-chaired by representatives of the MICC and CIC (Director General-level). Its mandate is "to coordinate the implementation of the *Accord* and develop terms and conditions of operation"[5]. It works under the direction of the Joint Committee and meets twice per year. The secretariat function for both committees resides with the IIR Branch.

1.4 Scope and timeline for the evaluation

The evaluation focuses on the provision of the grant and not on the *Accord*. While the *Accord* sets out the rights and responsibilities of the province and the federal government with respect to the number of immigrants destined to Quebec and the selection, reception and integration of those immigrants, the grant is strictly designed to cover the delivery and administration of reception and integration services provided by Quebec (which includes settlement, resettlement and integration services for clients in that province). This is outlined in Sections 24 through 26 of the *Accord*[6], as follows:

> *24. Canada undertakes to withdraw from the services to be provided by Quebec for the reception and the linguistic and cultural integration of permanent residents in Quebec.*
>
> *25. Canada undertakes to withdraw from specialized economic integration services to be provided by Quebec to permanent residents in Quebec.*
>
> *26. Canada shall provide reasonable compensation for the services referred to in sections 24 and 25 provided by Quebec, if:*
>
> *a) those services, when considered in their entirety, correspond to the services offered by Canada in the rest of the country;*

[4] *Canada-Quebec Accord*, Annex A.
[5] Ibid.
[6] The full text of the *Accord* is available online at: www.cic.gc.ca/english/department/laws-policy/agreements/quebec/can-que.asp

b) the services provided by Quebec are offered without discrimination to any permanent resident of Quebec, whether or not that permanent resident has been selected by Quebec.

The evaluation covers the period from 2006 to 2011. This timeframe was chosen to align with the coming into force in 2006 of the FAA requirement to evaluate all grant and contribution programs over a 5 year period. In some cases, however, such as to understand the context surrounding the grant, a longer timeframe is considered, while in others, particularly with respect to the basket of settlement and integration services provided, a shorter timeframe is used due to limitations in the availability of data. The evaluation questions and their linkage to the core issues identified in the *Directive on the Evaluation Function* are listed in Table 1.1.

Table 1.1: Evaluation issues and questions

Core issues	Evaluation Questions
Relevance	
Continued Need for the Program (assessment of the extent to which the program continues to address a demonstrable need and is responsive to the needs of Canadians)	1 To what extent does the Grant to Quebec address a demonstrable need?
Alignment with Government Priorities (assessment of the linkages between program objectives and (i) federal government priorities and (ii) departmental strategic outcomes)	2 Is the Grant to Quebec aligned with federal government priorities and departmental strategic outcomes?
Alignment with Federal Roles and Responsibilities (assessment of the role and responsibilities of the federal government in delivering the program)	3 Are the roles and responsibilities of the federal government with respect to the Grant to Quebec appropriate?
Performance	
Achievement of Expected Outcomes (assessment of progress toward expected outcomes (incl. immediate, intermediate and ultimate outcomes) with reference to performance targets, program reach, program design, including the linkage and contribution of outputs to outcomes)	4 To what extent has the Grant allowed for the provision of settlement services in the province of Quebec that, when considered in their entirety, correspond to the services offered by Canada in the rest of the country?
Demonstration of Efficiency and Economy (assessment of resource utilization in relation to the production of outputs and progress toward expected outcomes)	5 To what degree do the funds disbursed comply with the stipulations as set out in the *Accord*? 6 To what extent is the current approach to funding economical and efficient?

2. Methodology

2.1 Approach, design and methods

The terms of reference for this evaluation, including the methodology and the evaluation matrix, were approved by the CIC Departmental Evaluation Committee prior to the start of this evaluation.

The level of effort and lines of evidence used in this evaluation were calibrated in order to take into account the fact that the element being evaluated is a grant. A grant is "a transfer payment subject to pre-established eligibility and other entitlement criteria" and "is not subject to being accounted for by a recipient. The recipient may be required to report on results achieved"[7]. In this instance, the recipient, the government of Quebec, is not required to report on results achieved. As a result, the amount of information available for this evaluation was limited, and the evaluation was calibrated accordingly.

A goal-based approach was used for this evaluation. It addresses the relevance and performance of the grant in relation to its key goal/objective which was to provide reasonable compensation to the province for the withdrawal of services by the federal government, as long as the services, when considered in their entirety, correspond to the services offered by Canada in the rest of the country and the services provided by Quebec are offered without discrimination to any permanent resident of Quebec.

For the most part, a non-experimental design was used, relying heavily on a review of program documents and interviews to answer the evaluation questions. That said, a quasi-experimental design underpins the longitudinal data analysis used in the development of the economic profile of immigrants to Quebec.

Five main lines of evidence were used to collect data and information: a document review, interviews with key informants, an analysis of administrative data, an analysis of longitudinal data, and an assessment of financial information. The methods used and the amount of information collected were subject to certain limitations which are described later in this section.

Data collection for this evaluation was conducted between June and December 2011.

2.1.1 Document review

The document review represented the main line of evidence for this evaluation. The review of internal documents provided information on the origins and objectives of the grant. Documents regarding the settlement and integration services provided in Quebec were identified primarily through a web-based search. This search also identified relevant research reports and papers related to federal-provincial relations and the provision of settlement services. Annex II provides a list of the main documents reviewed.

2.1.2 Interviews

Interviews were conducted in order to obtain information on the relevance of the grant, particularly with respect to the context under which the grant was first created and its current

[7] Policy on Transfer Payments, Treasury Board of Canada Secretariat, 2008 www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=15024

linkages to CIC priorities, the mechanisms in place to monitor the grant, and the funding formula used to calculate the amount of the grant.

Key informants were identified in consultation with CIC's International and Intergovernmental Relations and Integration Branches and were selected based on their knowledge of the grant and their involvement in its management. The Evaluation Division developed a series of questions to guide the interviews, based on the evaluation matrix. A list of interviewees and the list of questions are provided in Annex III.

A total of 13 individuals were interviewed either by telephone or in person (see Table 2.1). Most interviews were conducted with current or former CIC staff in the IIR and Integration Branches at National Headquarters (NHQ) or in the Quebec Region. An interview was also conducted with a representative of the service provider community in Quebec. Interviews with provincial representatives and with other stakeholders in Quebec were not undertaken, as explained in the limitations section of this report. Interviews lasted between 20 minutes and 90 minutes.

Table 2.1: Summary of interviewees

Interview Group	Number of Interviewees
CIC NHQ	10
CIC Quebec Region	2
External stakeholders	1

2.1.3 Analysis of administrative data

Data from CIC's Field Operations Support System (FOSS) were used to create a profile of Quebec permanent residents. Given that the grant to Quebec was implemented in 1991, the profile covers the last 20 years. For this profile, all permanent residents that declared Quebec as their intended destination, whether or not they were selected by the province[8], were included in the profile, as the provision of settlement services is not limited to Quebec selected immigrants but to all immigrants residing in Quebec. For comparison purposes, the analysis also provides information on permanent residents arriving in the rest of Canada.

2.1.4 Analysis of longitudinal data

The source of information for the analysis of longitudinal data was the Longitudinal Immigration Database (IMDB). The IMDB is a database that is managed by Statistics Canada on behalf of a federal-provincial consortium led by CIC. This database links records from CIC's FOSS to Canada Revenue Agency (CRA) tax files (mainly from the T1 personal tax return). It is a tax filer database that contains information on all landed immigrants in Canada since 1980 who have filed at least one tax return. At the time of the evaluation, the IMDB contained information up to and including the 2008 taxation year.

For the purposes of this evaluation, a specific sub-set of the population included in the IMDB, namely immigrants destined to Quebec[9], was used to provide an economic profile of permanent residents in Quebec.

[8] The province of Quebec establishes its own immigration requirements and is responsible for selecting immigrants to settle in the province.

[9] In addition to being destined to Quebec, to be considered for the analysis, the individual needed to have filed at least one tax return, as it is a condition to be included in the IMDB.

2.1.5 Assessment of financial information

Two types of financial information were gathered: information on the amount of the grant disbursed in each year since 1991, the first year of the *Accord*, and information on the administrative cost to CIC of managing the grant. For comparison purposes, information was also collected on funding for settlement and integration services in other provinces and the associated administrative costs to CIC.

2.2 Limitations

Prior to beginning this evaluation, a letter was sent to provincial representatives to inform them of the evaluation, and ask them whether they would be willing to share relevant documents and collaborate with CIC. The province declined to participate.

Under the *Accord*, the province of Quebec has the sole authority for the administration and delivery of settlement, resettlement and integration services for clients in that province. It is not required to report to the Federal government on the use of the funds. Furthermore, as the Federal government withdrew from the services to be provided by Quebec, CIC has limited interaction with service provider organizations in the province.

As a result, only publicly available documents were used to inform this evaluation and no interviews were conducted with representatives of the provincial government. To mitigate the lack of direct access to stakeholder groups and newcomers, an interview was conducted with a representative of an organization that represents over 100 service provider organizations in the province of Quebec.

In addition, while the MICC publishes an annual report which it submits to its National Assembly, this report does not provide a breakdown of how the grant money is used within the department or by other provincial government departments. As a result, it is not possible to link the funds to specific programming offered to immigrants in the province.

Finally, while the IMDB allowed for an analysis of the economic outcomes of immigrants destined to Quebec, it is challenging to determine to what extent these outcomes are due to the settlement services funded by the province through the grant to Quebec. As it has been impossible to identify those who benefited from settlement services from those who did not among individuals found in the IMDB, attribution to the different programs offered to immigrants is not possible.

3. Profile of Quebec permanent residents

3.1 Demographic profile

Data from CIC's FOSS was used to create a profile of Quebec permanent residents. For this profile, all permanent residents who declared Quebec as their province of intended destination are included, whether or not they were selected by the province[10]. It includes information on the total number of permanent resident arrivals (landings), as well as descriptive characteristics and covers the period from the signing of the *Accord* in 1991 to 2010. For comparison purposes, the analysis also includes information on permanent residents who settled in the rest of Canada. Table 3.1 provides a snapshot of permanent residents destined to Quebec versus the rest of Canada at three points in time: 1991 (the first year of the *Accord*), 2001 and 2010.

Table 3.1: Profile of Quebec permanent residents versus rest of Canada

Characteristics		1991 (%)		2001 (%)		2010 (%)	
		Quebec	ROC	Quebec	ROC	Quebec	ROC
Immigration Category	Family class	25.2	41.4	22.6	27.4	17.8	22.3
	Economic immigrants	43.7	35.3	58.3	62.8	70.2	65.7
	Refugees	30.2	21.2	19.0	9.8	8.7	8.8
	Other immigrants	0.9	2.1	0.1	0.1	3.2	3.1
	Category not stated	0.0	0.0	0.0	0.0	0.0	0.0
Occupational Skill Level (of those intending to work)	Level 0 - managerial	4.2	3.9	7.9	2.9	5.5	11.1
	Level A - professionals	10.6	9.2	24.7	37.7	26.0	20.2
	Level B - skilled and technical	14.1	17.8	20.5	12.6	14.7	12.1
	Level C - intermediate and clerical	6.9	15.1	9.2	4.5	8.4	7.1
	Level D - elemental and labourers	3.8	5.6	1.2	0.8	0.3	1.5
	New workers - 15 years of age or older	57.4	47.0	35.4	40.3	45.0	47.9
	Industrial Codes - 15 years of age or older	3.0	1.5	1.1	1.3	0.0	0.1
Level of Education	0 to 9 years of schooling	40.7	40.3	33.1	34.2	31.9	32.9
	10 - 12 years of schooling	21.4	22.0	13.1	13.1	7.4	12.7
	13+ years of schooling	10.1	8.6	8.9	6.4	4.9	5.0
	Trade certificate	8.3	9.5	5.8	3.3	7.0	3.9
	Non-university diploma	5.2	6.0	10.9	6.6	10.3	9.2
	Bachelor's degree	11.0	10.7	19.8	27.5	24.1	24.5
	Master's degree	2.5	2.3	6.2	7.6	12.2	10.0
	Doctorate	1.0	0.7	2.3	1.3	2.2	1.7
Language Ability	French	21.0	1.0	25.4	0.8	26.6	1.1
	Both French and English	16.6	1.7	21.6	2.3	38.6	3.6
	English	23.3	52.1	16.0	51.1	14.5	67.3
	Neither	39.1	44.9	37.0	45.7	20.4	28.0
	Not stated	0.0	0.3	0.0	0.0	0.0	0.0

Source: FOSS

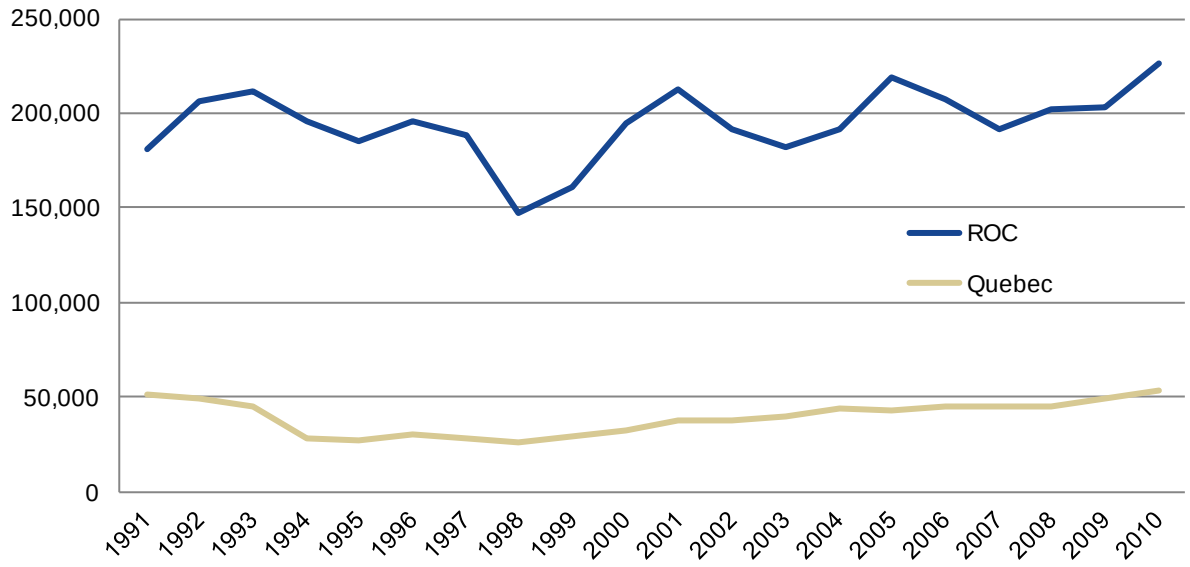
[10] This approach takes into account the fact that the grant is to be used to support the reception and integration of any permanent resident of Quebec, whether or not that permanent resident has been selected by Quebec.

3.1.1 Permanent resident landings

Between 1991 and 2010, the share of permanent residents destined to Quebec decreased from 22% to 19%. This change is due to an increase in the total number of permanent residents destined to the rest of Canada (from 180,976 in 1991 to 226,703 in 2010), rather than a decrease in the total number of permanent residents destined to Quebec, which increased from 51,833 in 1991 to 53,982 in 2010.

Over the 20 year period since the introduction of the *Accord*, the total number of permanent residents destined to Quebec and the rest of Canada fluctuated. In Quebec, the number of landings has increased by 9% per year over the past two years, but was significantly lower in the 1994 to 1999 timeframe, when less than 30,000 landings were recorded in each year (see Figure 3.1)

Figure 3.1: Permanent resident landings 1991-2010, Quebec and rest of Canada



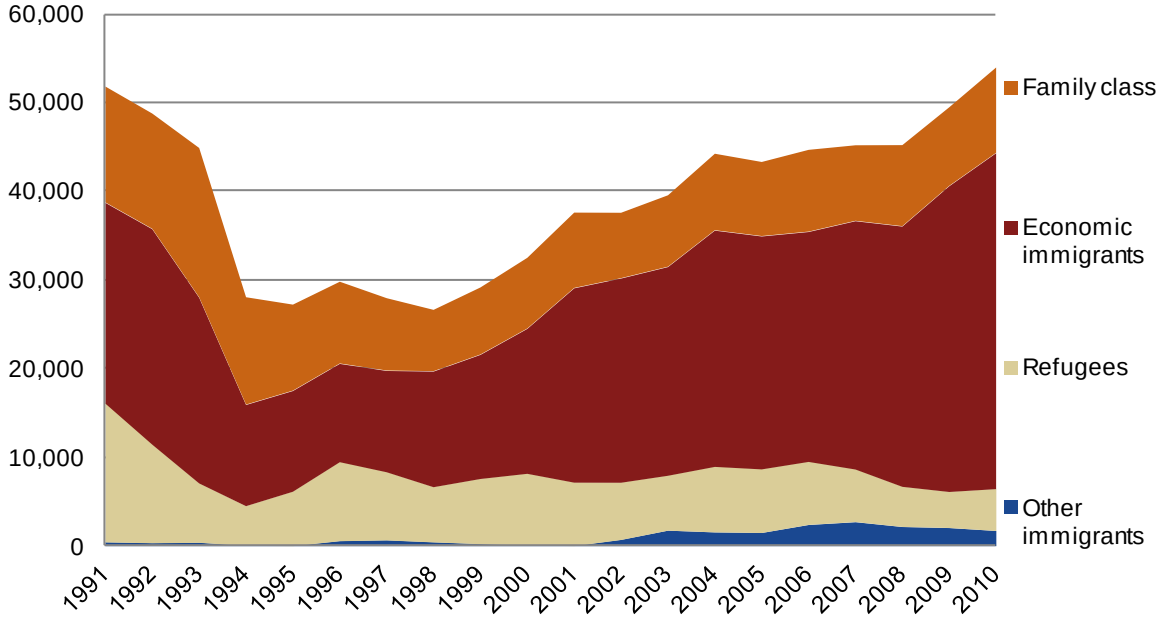
Source: FOSS

3.1.2 Immigration category

The proportion of economic immigrants[11] in Quebec grew from 44% in 1991 to 70% in 2010 while the proportion of the family class decreased from 25% to 18%, and that of refugees decreased from 30% to 9%. Similar changes occurred in the rest of Canada, where the proportion of economic immigrants grew from 35% in 1991 to 66% in 2010 while that of the family class decreased from 41% to 22%, and that of refugees decreased from 21% to 9%. In the most recent years, a higher proportion of economic immigrants and a lower proportion of the family class were destined to Quebec, when compared with the proportions of those destined to the rest of Canada (see Figures 3.2 and 3.3).

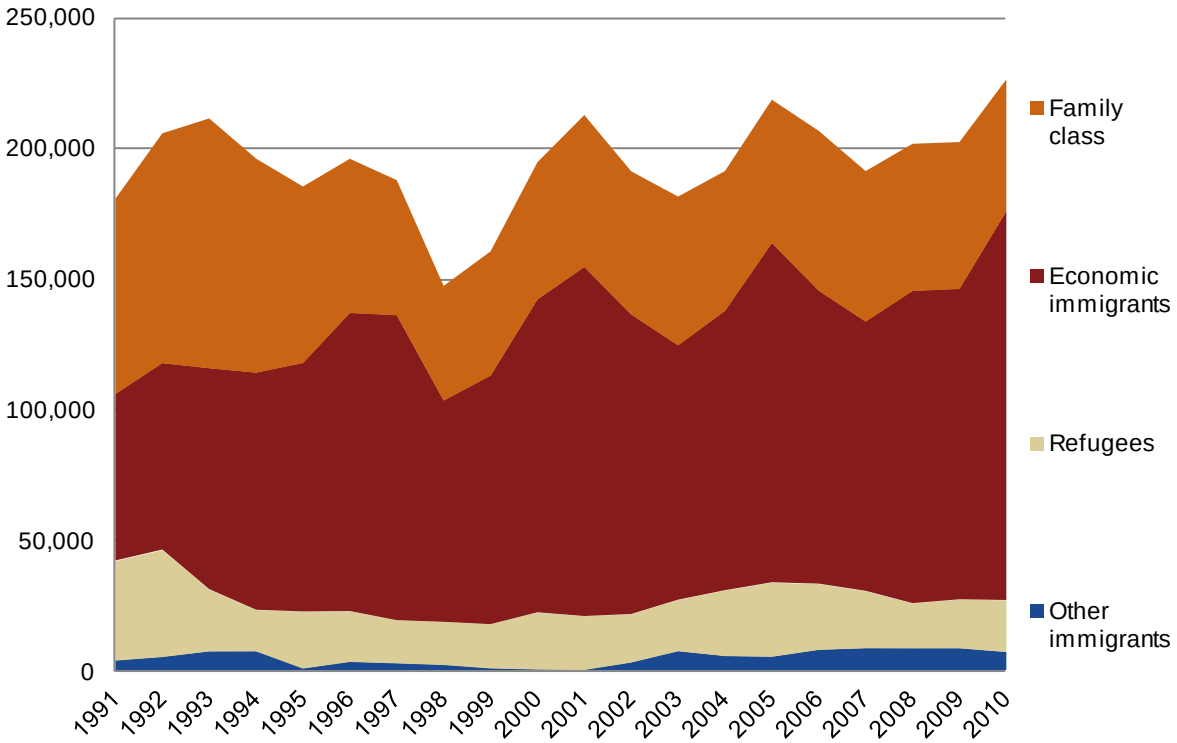
[11] The economic immigrant category includes skilled workers, business immigrants, provincial or territorial nominees, live-in caregivers and Canadian Experience Class.

Figure 3.2: Permanent residents by immigration category, Quebec, 1991 to 2010



Source: FOSS

Figure 3.3: Permanent residents by immigration category, rest of Canada, 1991 to 2010



Source: FOSS

3.1.3 Country of last permanent residence

The country of origin of permanent residents destined to Quebec and the rest of Canada differ, with, not surprisingly, French-language speaking countries figuring more prominently among those destined to Quebec. In 1991, the top five countries of last permanent residence of those arriving and intending to settle in Quebec were Lebanon, France, Haiti, Hong Kong and China. By 2001, Morocco and Algeria were added to the list, while Lebanon and Hong Kong were no longer among the top five. In 2010, the same five countries were listed as in 2001; however, their relative ranking had changed (see Table 3.2).

In the rest of Canada, the Philippines, India and China figured in the top five countries of last permanent residence in 1991, 2001 and 2010.

Table 3.2: Top five countries of last permanent residence and percentage of total landings, Quebec and Canada, 1991, 2001, and 2010

1991		2001		2010	
Quebec	Rest of Canada	Quebec	Rest of Canada	Quebec	Rest of Canada
Lebanon (13.8%)	Hong Kong (11.2%)	France (10.2%)	China (17.2%)	France (11.3%)	Philippines (15.5%)
France (5.3%)	India (6.7%)	China (10.0%)	India (12.6%)	Morocco (10.0%)	India (13.0%)
Haiti (4.8%)	China (6.6%)	Morocco (8.9%)	Pakistan (6.7%)	Algeria (7.2%)	China (11.9%)
Hong Kong (4.5%)	Philippines (6.3%)	Algeria (7.1%)	Philippines (5.9%)	Haiti (6.5%)	United Kingdom (4.0%)
China (4.2%)	United Kingdom (4.0%)	Haiti (5.1%)	Republic of Korea (4.2%)	China (5.8%)	United States (3.6%)

Source: FOSS

3.1.4 Mother tongue

In terms of mother tongue, the percentage of permanent residents destined to Quebec indicating French as their mother tongue rose from 6.8% in 1991 to 12.3% in 2001 and 15.4% in 2010. Arabic figured prominently, with 23.8% indicating it as their mother tongue in 1991, 22.5% in 2001 and 26% in 2010.

In 1991, 15% of permanent residents destined to the rest of Canada indicated English as their mother tongue, compared with 10% in 2001 and 10.8% in 2010. The most popular mother tongue was Cantonese (15.3%) in 1991, Mandarin (15.3%) in 2001 and Tagalog (14.7%) in 2010.

3.1.5 Occupational skill level and level of education

The percentage of permanent residents who, at the time of landing, had indicated they intended to work has stayed the same throughout the years under review (60% for those destined to Quebec and 52% in the rest of Canada). When it comes to the skill level of immigrants, changes are consistent with changes in selection criteria over the last 20 years. Of those intending to work,

the proportion of "high skilled"[12] immigrants increased from 28.9% to 46.2% in Quebec and from 30.9% to 43.4% in the rest of Canada. The same changes are found in education levels, as expected: in Quebec, the proportion of immigrants with bachelor diplomas went from 11% in 1991 to 24% in 2010 and the proportion of immigrants with a master diploma from 3% to 12%. Similar ratios were found in the rest of Canada.

3.1.6 Language Ability

Over the past 20 years, knowledge[13] of official languages at landing has increased for both permanent residents destined to Quebec as well as those destined to the rest of Canada. In Quebec, the ratio of permanent residents that had no knowledge of either official language at landing dropped from 39% in 1991 to 20% in 2010. Similarly, in the rest of Canada, it dropped from 45% to 28% over the same period. The biggest change in Quebec came from an increase in the percentage of immigrants that have knowledge of both official languages upon arrival (from 17% to 39%), while in the rest of Canada it came from an increase in the knowledge of English (from 52% to 67%).

Overall, the comparison between permanent residents destined to Quebec versus the rest of Canada in 2010 reveals that those destined to Quebec are more likely to be economic immigrants. They are also more likely to be professionals (skill level A) and are more likely to be able to speak at least one of Canada's official languages upon arrival.

3.2 Economic performance of Quebec immigrants

The main source of information for this section is the Longitudinal Immigration Database (IMDB), which links immigration and taxation records. This allows for an analysis of the economic performance of immigrants and the degree to which socio-demographic factors affect the results.

While the IMDB allows the analysis of relative labour market behaviour of different categories of immigrants over a period long enough to assess the impact of immigrant characteristics (e.g., education, knowledge of French or English), it does not include information on their use of settlement services. As a result, immigrants' economic outcomes cannot be attributed to the receipt of support services financed by the grant to Quebec.

In this section, the following definitions apply:

- "Quebec immigrants" relates to immigrants destined to Quebec and who filed a tax return;
- "all Canadians" refers to the entire population, including immigrant tax filers residing in Canada (including Quebec);
- "all residents of Quebec" refers to the entire population of the province, including immigrant tax filers residing in Quebec; and,
- "employment earnings" refers to average employment earnings of those who filed a tax return

[12] High skilled immigrants are those with a NOC classification of 0 (managerial), A (professionals) or B (skilled and technical), while low skilled workers are those with a NOC classification of C (intermediate and clerical) or D (elemental and labourers).
[13] Knowledge of official languages is based on a self-assessment.

3.2.1 Employment earnings

When discussing employment earnings, it is important to note that there is a gap between the average employment earnings of immigrants and that of the Canadian population and that this situation can be found across all provinces. As well, economic conditions vary across the country, resulting in variations in employment earnings between provinces. For example, Canada Revenue Agency tax data showed that in 1991, in Quebec, average employment earnings were 10.4% lower than the average for the entire country, while in 2008, they were 14.4% lower.

In order to obtain a fair representation of immigrants' earnings, comparisons are made using a relative earnings ratio that compares immigrant earnings to that of the Canadian population. In using a relative earnings ratio, variations in provincial economic conditions are taken into account.

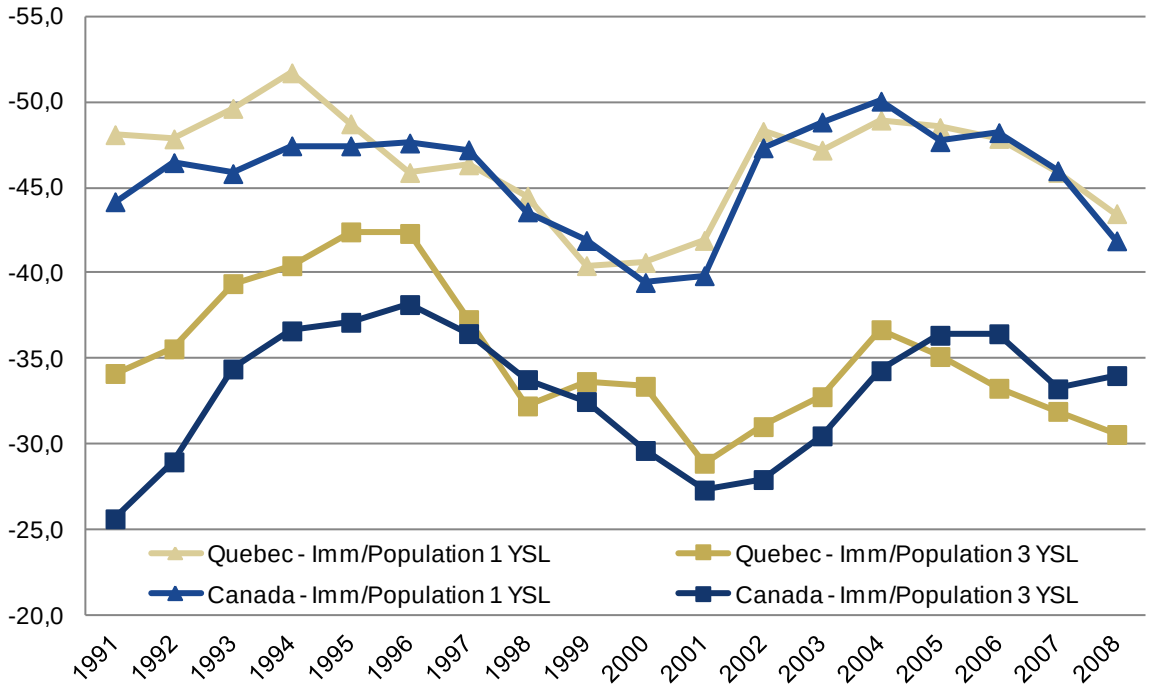
The analysis of IMDB data revealed that immigrants in Quebec have average employment earnings below 1) the average of all tax filers in Quebec, 2) the average of all Canadian tax filers and 3) all immigrant tax filers in Canada.

Using the 1991 taxation year as a starting point, IMDB data reveal that one year after landing (1 YSL), immigrants' earnings were 44.2% lower than the Canadian average. In comparison, in Quebec, immigrants' earnings were 48.1% lower than the Quebec average. After 3 years, the percentages were 25.6% and 34.1% respectively. From 1991 to 2008, the following three patterns emerged:

- From 1991 to 1996, Quebec immigrants recorded lower relative employment earnings than all immigrants in Canada, both 1 year and 3 years after landing;
- From 1997 to 2005, relative employment earnings of Quebec immigrants were mostly similar to that of all immigrants in Canada, both 1 year and 3 years after landing; and,
- From 2006 to 2008, Quebec immigrants recorded higher relative employment earnings than all immigrants in Canada 3 years after landing (but similar after 1 year) (see Figure 3.4)

For the 2008 taxation year, IMDB data reveals that, one year after landing, Canadian immigrants' average earnings were 41.9% lower than that of all Canadians. In comparison, in Quebec, immigrants' earnings were 43.5% lower than that of all residents of Quebec. After 3 years, the percentages were 34% and 30.6% respectively.

Figure 3.4: Relative earnings of immigrants versus the population by years since landing, Canada and Quebec, 1991 to 2008



Source: CIC, IMDB - 2008 Update.
Note: QC relative earnings=average earnings of immigrants in QC/average earnings of tax filing population in QC; Canada relative earnings=average earnings of immigrants in Canada/average earning of tax filing population in Canada

3.2.2 Socio-demographic factors affecting economic performance

In order to assess the impact of selected socio-demographic factors on the economic outcome of immigrants, employment earnings of immigrants three years after landing were analyzed:

- **Immigration Category**: When looking at average earnings across immigration categories, skilled workers show the highest earnings 3 years after landing. In 2008, skilled workers (principal applicants) in Quebec earned 34.3% more than the average for all immigrants in the province ($32,776 vs. $24,404), three years after landing. A similar pattern is found for immigrants in Canada in 2008, with skilled worker principal applicants earning 46% more than the average for all immigrants.
- **Occupational Skill Level**: Immigrants in Quebec intending to work in professions requiring managerial skills (National Occupational Classification (NOC) level 0) or professional skills (level A) have employment earnings in 2008 that are 58.8% and 65.1% higher than all immigrants, three years after landing. A similar pattern is found for the country as a whole.
- **Language**: Employment earnings of immigrants in Quebec vary greatly depending upon their knowledge of official languages. For the taxation year 2008, immigrants in Quebec with knowledge of both English and French had a clear advantage, earning 23.6% more than the average for all immigrants, three years after landing. Immigrants with knowledge of only English earned 3.6% less than the average and those with knowledge of only French earned

20.5% less than the average. The most disadvantaged were those with no official language knowledge with 40.9% less in earnings than the average.

- **Country of last permanent residence**: An analysis of the six main countries of last permanent residence of immigrants to Quebec found that immigrants from France had employment earnings in 2008 that were 37.2% higher than the employment earnings of all immigrants. A similar finding was found for Canada: in 2008, among the six countries selected, immigrants from France received the highest employment earnings three years after landing.

4. Findings

4.1 Relevance

This section addresses three issues related to program relevance, as required by the TBS *Policy on Evaluation*:

- Continued need for the program;
- Alignment with government priorities; and,
- Alignment with federal roles and responsibilities

4.1.1 Continued need for the program

Q1. To what extent does the grant to Quebec address a demonstrable need?

Research has shown that immigrants have different resources and face various challenges during the settlement process. The federal government has provided funding to address these needs through a number of mechanisms, one of which is the grant to Quebec.

The grant to Quebec, a provision of the *Canada-Quebec Accord*, provides the province with the flexibility to deliver settlement services in alignment with the provincial objective of ensuring the integration of immigrants in Quebec in a manner that respects the distinct identity of the province.

Need for settlement and integration services

Research has shown that a number of factors influence an individual's ability to successfully settle and integrate into a new society. These include, for example, language proficiency, education and skill levels, recognition of qualifications, and having friends or relatives already living in the community.[14] While these factors have been identified in the literature, the need for flexibility in the provision of services to meet the varying needs of newcomers is also well accepted. Immigrants have different reasons for leaving their homeland and as a result, arrive in Canada with different resources and face different challenges during the settlement process.[15] Government investments in settlement services have focused on the provision of services that meet these varying needs.

Origins of the grant to Quebec

The grant to Quebec is a provision of the *Canada-Quebec Accord*, signed in 1991. The *Accord* is the fourth agreement[16] between the Federal government and the province of Quebec regarding immigration matters. The *Accord* built on the three previous agreements with respect to the province's involvement in immigration matters. It also introduced, for the first time, the devolution of responsibilities for settlement and integration to the province.

One of the objectives of the *Accord* is to ensure the integration of immigrants to the province "in a manner that respects the distinct identity of Quebec"[17]. To achieve this goal, the federal

[14] See for example, *Migrant Settlement: A review of the literature and its relevance to New Zealand*, New Zealand Immigration Service, September 1999.
[15] *Longitudinal Survey of Immigrants to Canada - A Portrait of Early Settlement Experiences*, Statistics Canada, 2005.
[16] The first agreement between Canada and the province of Quebec was signed in 1971. Subsequent agreements were signed in 1975 and 1978.
[17] *Canada-Quebec Accord*, Preamble.

government agreed to withdraw from reception and linguistic and cultural integration services as well as specialized economic integration services to be provided to permanent residents in Quebec. In return, the federal government agreed to provide compensation for these services, the amount of which was specified in the *Accord* for the periods 1991-1992 to 1994-1995. In subsequent years, the amount was to be determined using a specific formula described in an annex to the *Accord*.

The *Accord* also specifies that while the agreement can be reopened at the request of either party with six months notice, both parties must agree on amendments, otherwise the *Accord* continues to be in force.

Interviewees indicated that the *Accord* is considered to be quasi-constitutional[18] in nature. Most interviewees identified the failed *Meech Lake Accord*[19] as the main impetus for the grant, with some indicating that the *Accord* and the grant also represented an evolution in the relationship between the federal government and the province of Quebec on immigration matters. According to these interviewees, at the time of the *Accord*, the province of Quebec had already developed a knowledge and understanding of immigration issues as a result of its experience under the previous three agreements and therefore was in a good position to take on responsibilities related to settlement and integration.

Interviewees consulted for this evaluation could not precisely explain the reason for the choice of a grant, given that the *Accord* speaks only of "compensation". Some interviewees however mentioned that the lack of reporting and monitoring requirements under the grant aligned well with the intent of the *Accord*, which was to provide the province with sole authority and responsibility for settlement and integration services. The use of the grant mechanism also provided the province with the most flexibility to address its unique needs with respect to integration. The review of program documents did not provide any additional information.

[18] Irvin Studin, in his research paper titled *Constitution and Strategy: Understanding Canadian Power in the World*, (Osgoode Hall Law School CLPE Research Paper 04/2009, Vol 5, No 1), indicates that the "agreed division of labour between the Federal Government and Quebec on immigration, being little susceptible to change (in general terms), has effective quasi-constitutional status".

[19] The *Accord* came on the heels of the failure of the *Meech Lake Accord* and largely accomplished what would have taken place in the area of immigration had the *Meech Lake Accord* passed.(Source: Immigration: The *Canada-Quebec Accord*, Library of Parliament, Publication No. 2011-89-E, revised 5 July, 2011. www.parl.gc.ca/Content/LOP/ResearchPublications/2011-89-e.pdf). Of relevance to this evaluation is the fact that the *Meech Lake Accord* would have committed the federal government to negotiate an immigration agreement with Quebec, that, among other things, incorporated the principles of the previous agreement with province (known as the *Cullen-Couture Agreement*), and would have committed the federal government to withdraw from the provision of reception and integration services in Quebec. The agreement, were it to be created, could not be changed without the consent of both governments.

4.1.2 Alignment with federal government and departmental priorities

Q2. Is the grant to Quebec aligned with federal government priorities and departmental strategic outcomes?

The grant is aligned with federal government priorities with respect to federal-provincial relations, as CIC and Provinces/Territories share the common goal of making immigration programs responsive to the unique needs of each province and territory.

From a settlement perspective, the grant is aligned with CIC's strategic outcome of ensuring the participation of newcomers and citizens in fostering an integrated society.

Under the *Accord*, the federal government retains sole responsibility for citizenship. There is a question being raised however, with respect to CIC's ability to address the federal government's priority to ensure individuals understand Canadian values and are aware of their rights and responsibilities with respect to citizenship. To help individuals prepare for life in Canada and the citizenship test, information is often provided through settlement services, particularly via language training curricula. Language curricula in Quebec also follows this approach, however the focus is on providing information about Quebec culture.

Priorities with respect to federal-provincial relations

The *2011 Annual Report to Parliament on Immigration* states that "effective collaboration between the Government of Canada and the provinces and territories is essential to the successful management of the immigration program"[20]. It also states that the two levels of government have a shared goal to "make immigration programs respond to the unique economic, social and labour market needs of each province and territory"[21]. The grant to Quebec is aligned with these priorities as it provides the provincial government with the funding and latitude to ensure its programs respond to the specific needs of the province.

Priorities related to settlement and integration

The federal government's commitment to helping newcomers settle and succeed is reconfirmed annually in CIC's *Departmental Performance Report and Report on Plans and Priorities*. It also figures prominently in the *Annual Report to Parliament on Immigration*, which states that "the key to maximizing the benefits of immigration is ensuring that newcomers have the information, tools and opportunities to realize their potential and become fully engaged in all aspects of Canadian society"[22].

CIC individuals interviewed as part of this evaluation agreed that the grant is aligned with departmental objectives related to settlement, articulated under Strategic Outcome 3 of the department's Program Activity Architecture, which seeks to ensure that "newcomers and citizens participate to their full potential in fostering an integrated society"[23].

While the *Accord* indicates that the federal government has sole responsibility for services related to citizenship, some interviewees mentioned preparation for life in Canada and citizenship as an area of concern. CIC's 2011 *Annual Report to Parliament on Immigration* states that "greater focus is being placed on building awareness of Canadian values and history, institutions that shape

[20] *Annual Report to Parliament on Immigration*, Citizenship and Immigration Canada, 2011.
[21] Ibid.
[22] Ibid.
[23] Citizenship and Immigration Canada, Program Activity Architecture, April 2011.

Canada, and the rights and responsibilities associated with Canadian citizenship"[24]. In order to help prepare individuals for life in Canada and to take the citizenship test, curricula used in language training courses in provinces and territories includes information about the province in which they live as well as the country as a whole. Interviewees indicated that in Quebec however, the information is focused solely on learning about Quebec society. A review of the language curricula offered in Quebec supports this assertion. An informal bilateral working group met for the first time in December 2011 to discuss and exchange information and best practices on integration and preparation for citizenship.

4.1.3 Roles and responsibilities of the federal government

Q3. Are the roles and responsibilities of the federal government with respect to the grant to Quebec appropriate?

The federal government's role with respect to the provision of funding to the province of Quebec is appropriate, given the shared jurisdiction for immigration and the ability of CIC to enter into agreements with the provinces, as outlined in the *Immigration and Refugee Protection Act* of 2002.

As a result of changes to the *Financial Administration Act* in 2006, CIC must now evaluate every on-going grant program over a five-year cycle. Given that the province is not required to report to the federal government on the outcomes of the grant, CIC cannot fully adhere to this requirement.

Roles and responsibilities outlined in legislation and policy

The roles and responsibilities of the two levels of government with respect to immigration are outlined in legislation as follows:

- Section 95 of the *Constitution Act 1867* identifies immigration as a matter of concurrent federal-provincial jurisdiction, with federal jurisdiction being paramount. This provides the basis for both provincial and federal involvement in immigration matters, including integration.
- The main statute that allows the Minister to enter into agreements with provincial governments is the *Immigration and Refugee Protection Act*. Under Section 8(1) of the *Act* "the Minister, with the approval of the Governor in Council, may enter into an agreement with the government of any province".
- The government of Quebec has enacted its own legislation with respect to immigration. The *Act Respecting Immigration to Quebec* provides the Minister with the authority to "establish and maintain, for those persons who settle in Quebec, an integration program for the purpose of favouring their introduction to Quebec life"[25].

The *Financial Administration Act* and the 2008 *Policy on Transfer Payments* set out the roles and responsibilities of Citizenship and Immigration Canada with respect to the management of the grant:

- *Financial Administration Act (FAA)*: Under the FAA, CIC is required to review[26], every five years, each on-going program of grants and contributions for which it is responsible. This

[24] *Annual Report To Parliament on Immigration*, CIC, 2011.
[25] I-0.2 *An Act Respecting Immigration to Quebec*, Section 3.2.3, 1991, c. 3, s. 2.
[26] The *Policy on Transfer Payments* defines this review as "a form of evaluation which would be conducted in a manner that would be appropriate for the risk, complexity and materiality of the program".

requirement was introduced in 2006 under the *Federal Accountability Act*. Prior to this time, there was no legal requirement for government departments to review grants on a regular basis.

- *Policy on Transfer Payments*: The 2008 *Policy on Transfer Payments* added to the definition of a grant the proviso that the recipient may be required to report on results achieved. In the case of the grant to Quebec, the province is not required to report to the federal government on the results achieved.

Given the new requirements under the FAA, some interviewees felt that the role of CIC could not be adequately fulfilled given that the province is not required to report to the federal government on the outcomes of the grant. The department is currently working with its provincial and territorial counterparts to develop a "Pan-Canadian framework to establish a cohesive national approach to measuring settlement outcomes across Canada."[27] While the province of Quebec is an observer to this group, the fact that there are no reporting requirements associated with the grant is seen to be contrary to the current thinking regarding the importance of measuring and reporting on outcomes of federal spending.

4.2 Performance

This section addresses two issues related to program performance, as required by the *Policy on Evaluation*:

- Achievement of expected outcomes; and,
- Demonstration of efficiency and economy.

4.2.1 Achievement of expected outcomes

Q4. To what extent has the Grant allowed for the provision of settlement services in the province of Quebec that when considered in their entirety correspond to the services offered by Canada in the rest of the country?

When considered in their entirety, based on the document review and interviews, it appears that the settlement services provided in the province of Quebec generally correspond to those provided by the federal government in the rest of the country. Differences exist in how the programs are delivered, but in the absence of clear assessment criteria on which to base this comparison, a definitive conclusion on the degree to which the province is complying with this requirement cannot be reached.

Services provided

As mentioned previously, the federal government, through the *Accord*, committed to providing "reasonable compensation" for the services provided by the province for the reception, and linguistic, cultural and economic integration of permanent residents in Quebec. The compensation is conditional on the provision of services by the province that, when considered in their entirety, correspond to the services offered by Canada in the rest of the country, and are offered without discrimination to any permanent resident of Quebec, whether or not they were selected by the province.[28]

[27] Pan-Canadian Framework for Settlement Outcomes, Internal document, CIC.
[28] *Canada-Quebec Accord*, Section 24 to 26.

Annex B of the *Canada-Quebec Accord* lists the reception and integration services from which the federal government agreed to withdraw and in return provide compensation to the province. Annex IV provides a list of these services and a brief description of each.

According to interviewees, the degree to which the settlement services provided in Quebec are comparable to those provided in the rest of Canada is not monitored on a regular basis by CIC. Program documents reveal that an internal CIC review was conducted in 1997-1998 at the time the formula to calculate the amount of the grant was first put into use. The review determined that services were similar. The document review conducted for this evaluation revealed that CIC undertakes reviews from time to time, but these appear to be informal in nature and are not based on a rigorous methodology.

The Joint Committee's mandate is, among other things, "to study, at least once a year, reception and integration services provided by Canada and Quebec"[29]. However, interviewees did not recall any instances where a study of this nature was conducted by the committee over the past five years. A review of the minutes from four[30] committee meetings held between 2007 and 2011 confirmed that the committee did not specifically study the reception and integration services provided by both levels of government; however, information was shared by CIC and the province of Quebec during these meetings on the development or expansion of products and services to assist in the settlement and integration of newcomers.

Comparison of services offered

The *Accord* does not provide any guidance on how to assess the degree to which services offered by the province correspond to those offered by Canada in the rest of the country. While Annex B of the *Accord* provides a listing of the programs that the federal government would cease to deliver in the province of Quebec, and the *Accord* stipulates that "the Joint Committee shall re-examine, as often as it wishes, but no less than once a year, the list of services set out in Annex B"[31] of the *Accord*, this review has not occurred. As well, the *Accord* stipulates that the services provided by the province should "in their entirety" correspond to the services offered in the rest of the country, but it does not define the term "in their entirety".

For the purposes of this evaluation, the assessment focused on the types of services offered in the province of Quebec and in the rest of Canada. It did not attempt to assess how these services were delivered. The identification of the types of settlement services offered in Quebec and by the federal government in the rest of Canada was undertaken using two main sources of information: for services offered in Quebec, the main source was the provincial government website, while for the services offered in the rest of Canada, the main source was the Accountability, Risk and Audit Framework for CIC's Settlement Program. Supplemental information was also provided by interviewees. Table 4.1 lists the main settlement programs supported by CIC in the rest of Canada and those provided in Quebec by the provincial government.

[29] *Canada-Quebec Accord*, Annex A, Section II – *Joint Committee and Implementation Committee*, 1991.
[30] The committee meets annually, however no meetings were held in 2006 or 2008.
[31] *Canada-Quebec Accord*, Annex A, Section VI, *Reception and Integration*, 1991.

Table 4.1: Settlement and integration services - province of Quebec and CIC

CIC Programs/Streams	Quebec Programs
Language Training	
Language/Skills development Provide access to language training and the development of sufficient linguistic communication skills in different contexts.	**Linguistic integration program for immigrants (*Programme d'intégration linguistique pour les immigrants (PILI)*)** Provides full-time, part-time and on-line French-language training to immigrants to facilitate their integration into Quebec society
No comparable program in the rest of Canada	**Financial aid program for the linguistic integration of immigrants (*Programme d'aide financière pour l'intégration linguistique des immigrants (PAFILI)*)** Provides an allowance to immigrants taking French-language training while in Quebec. Also reimburses individuals, to a maximum amount, for the cost of language training undertaken prior to arrival in Quebec.
Reception, Settlement and Integration	
Needs assessments and referrals Services and products designed to help newcomers and service provider organizations determine settlement needs and make informed settlement decisions. **Support services** Provision of services such as childminding and transportation assistance to increase access to settlement services. Also includes support services at ports of entry, translation, interpretation and counselling. **Information and orientation information** Provides access to accurate, timely and useful settlement-related information about Canada. **Community connections** Programming to support newcomers in their social engagement efforts and to engage communities in supporting the full participation of newcomers.	**Reception program for newcomers (*Programme d'accompagnement des nouveaux arrivants (PANA)*)** Funds community organizations to offer reception, settlement and support services to recent immigrants **Regional integration program (*Programme régional d'intégration (PRI)*)** Supports joint action by local and regional partners to increase the contribution made by immigrants to the development of Quebec's regions, and for improving immigrant reception, settlement and integration **Community organization support program (*Programme de reconnaissance et de soutien des organismes communautaires autonomes (PRSOCA)*)** Funds community organizations to support their efforts to settle and integrate immigrants into Quebec society
Francophone Minority Communities Initiative a cross-section of promotion, recruitment and settlement activities to ensure the ability of official language minority communities to retain newcomers focused on four sets of activities: coordination and research; joint activities with provinces and employers to recruit French-speaking immigrants in the targeted professions;	No comparable program in Quebec

developing and improving promotional events abroad and the resettlement of francophone refugees; and consolidating existing support networks and strengthen settlement services.	
Resettlement	
Resettlement Assistance Program (RAP) Provides immediate and essential services and income support to recently arrived eligible refugees (primarily Government-Assisted Refugees)	**Refugee reception and settlement program (*Programme d'accueil et d'installation des réfugiés (PAIR)*)** Provides reception and assistance services for refugees in their first year of arrival **Regional Program for the Reception and Integration of Refugee Claimants (*Programme regional d'accueil et d'intégration des demandeurs d'asile (PRAIDA)*)** Provides health and social services to clients involved in complex status regularization processes and includes psychosocial and health components as well as a last resort assistance fund to ensure minimum necessary income for refugee protection claimants who are not eligible for social assistance.
Labour Market Integration	
Foreign Credential Referral Office (FCRO) Helps internationally trained individuals receive the information, path-finding and referral services to have their credentials assessed as quickly as possible so they can find work faster in the fields for which they have been trained. Overseas services are provided through the Canadian Immigration Integration Project (CIIP). In Canada, Service Canada delivers in-person and telephone services on behalf of the FCRO. Information on foreign credential recognition is also available through the FCRO website (www.credentials.gc.ca) to prospective immigrants overseas.	**Support program to facilitate the access to regulated professions and trades *(Programme de soutien aux projets visant à faciliter l'admission aux* ordres professionnels)** Provides funding for projects to assist immigrants in getting their foreign credentials recognized
Labour market participation Supports employment-related programming for newcomers, including the development of job search skills, internships, mentorships, and/or work placements.	**Employment integration program for immigrants and visible minorities (*Programme d'aide à l'intégration des immigrants et des minorités visibles en emploi (PRIIME)*)** Provides subsidies to employers who hire immigrants

Sources : Programmes d'immigration, Ministère de l'Immigration et des Communautés Culturelles (MICC) www.micc.gouv.qc.ca; Répertoire des programmes et services, Services Quebec, Portail Quebec www.formulaire.gouv.qc.ca/cgi/recherche.cgi?query=immigration&quoi=simple&table=0, Annick Germain and Tuyet Trinh, Chapter 8 : *Immigration in Quebec* : *Profile and Players, in Integration and Inclusion of Newcomers and Minorities across Canada*, Metropolis, 2011, PAA program descriptions, CIC, 2011 and Accountability, Risk and Audit Framework (ARAF) for Citizenship and Immigration Canada's Settlement Program, June 30, 2008.

Differences in services provided

When asked whether, in their views, there were any differences in the services provided by either level of government (i.e., did the federal government provide services that the province did not and vice versa), interviewees indicated that overall, there were no significant differences, when services are looked at in their entirety. Both levels of government provide reception and integration services, including language training, and also provide resettlement services to refugees. At a more detailed level, however, examples were provided of areas where differences may exist:

- Financial support for language training: Interviewees mentioned financial support for language training provided in Quebec as an area of differentiation between the province and the federal government. The government of Quebec provides an allowance of $115 a week to skilled workers, parents and refugees and $30 a week to family members, business people and retirees taking language training on a full-time basis. This is in addition to daycare and transportation allowances. As well, the province will reimburse, to a maximum of $1,500 eligible individuals who complete a French language course prior to their arrival in Quebec. The federal government does not subsidize or reimburse individuals taking language training courses in the rest of Canada.

- English language services to Anglophones in Quebec: Integration services are largely provided in Quebec in French only. The Quebec Portal website indicates that their guide to assist individuals in settling in Quebec "has not been translated, to reflect the fact that French is the official language of Quebec and to underscore the importance of learning French in order to communicate effectively in day-to-day life, and in order to work or study in the official language, practice a profession, do business, or participate in the cultural, civic and social life of Quebec"[32]. In the rest of Canada, the Francophone Minority Community initiative seeks to facilitate French-speaking newcomers' access to French services adapted to their needs. There is no equivalent in Quebec for the Anglophone minority population.

- Preparation for life in Canada and citizenship: As mentioned previously, one of the differences identified by interviewees is the provision of information to assist individuals in understanding life in Canada and preparing to take a citizenship test. While the Quebec government and CIC both have adopted an approach whereby language curricula include topical information on life in Canada, in Quebec it is limited to information on Quebec society.

The impact of these differences is not known. The document review revealed that the Table de concertation des organismes au service des personnes réfugiées et immigrantes, which represents a number of stakeholder groups in the province of Quebec, has indicated that some services, particularly with respect to employment, are not meeting the needs of newcomers[33]. This assertion, however, could not be validated in this evaluation as information could not be collected directly from newcomers or individual service provider organizations (see the limitations section of this report).

In the event that any significant differences in the provision of services might be identified, interviewees identified the committee structures that are currently in place as the appropriate

[32] www4.gouv.qc.ca/EN/portail/citoyens/evenements/immigrer-au-quebec/Pages/accueil.aspx

[33] Consultations prébudgétaires 2011-2012, Présentation de la Table de concertation des organisations au service des personnes réfugiées et immigrantes, Montreal, January 18, 2010.

mechanisms for discussion and resolution. As mentioned previously, interviewees did not recall any discussions of this nature occurring at committee meetings in the past five years.

4.2.2 Demonstration of economy and efficiency

Q5. To what degree do the funds disbursed comply with the stipulations as set out in the *Accord*?

The funds disbursed comply with the stipulations set out in the *Accord*. While the calculation of the grant amount is routine, the formula itself, which guarantees the grant amount will never decrease, is seen by interviewees as too rigid.

The Formula

The formula used to calculate the amount of funding to be provided to the province was negotiated at the time of the *Accord*. Most individuals interviewed could not comment on the choice of the formula, other than to refer to the political nature of the negotiations. One interviewee mentioned that, at the time of the *Accord*, the province was concerned with the preservation of its relative demographic weight within Canada and this might have influenced the selection of factors to be included in the formula.

There are two formulas in the *Accord*. The formula that is applied to calculate the amount of the grant varies based on whether the proportion of immigrants granted landing in Quebec in relation to the rest of Canada during the previous calendar year is higher or lower than its proportion of the population of Canada. When the proportion is lower, the formula is as follows:

1) The year over year difference in the number of non-francophone immigrants to the province; plus
2) The year over year difference in total government expenditures less debt service charges (net federal expenditures).

When the proportion is equal or higher, the formula is as follows:

1) The year over year difference in the proportion of immigrants in Quebec versus Canada as a whole; plus
2) The year over year difference in total government expenditures less debt service charges (net federal expenditures).

The result of the calculation is then multiplied by the amount of funding received the previous year in order to determine the increase in the grant amount for the next year.

Calculating the grant amount

The document review revealed that the base amount of funding that would be provided to the province of Quebec was established at the time of the negotiations of the *Accord*. As a starting point, the federal government identified the level of expenditures required to deliver services in Quebec, including administrative costs. In 1990-1991 this amounted to approximately $43.6M[34]. The government of Quebec did not agree that the amount should be based solely on the current cost of providing services in the province. Based on program documentation, a number of

[34] *Immigration: The Canada-Quebec Accord, Background Paper*, Michel-Ange Pantal, Parliamentary Information and Research Service, Library of Parliament, Publication No. 2011-89-E, Revised July 5, 2011.

factors were considered in determining the amount, including the additional effort that would be required to integrate individuals into a francophone environment situated within a predominantly English-speaking North American environment, the proportion of immigrants who could not speak French upon arrival and therefore would require additional assistance in learning French, and the percentage of immigrants settling in Quebec who were refugees[35].

The amount identified in the *Accord* to be transferred to the province for 1991-1992 totalled $75M, increasing to $90M in 1994-1995 (see Table 4.2). After this time, the formula was to be used to make any future adjustments to the grant, as required.

Table 4.2: Amount of the grant to Quebec, 1991-1992 to 1994-1995

Fiscal Year	Grant Amount (in Millions)
1991-1992	$75
1992-1993	$82
1993-1994	$85
1994-1995	$90

Source: *Canada-Quebec Accord*, 1991, Annex B.

The formula to calculate the amount of the grant was used for the first time in 1997-1998. Program documents reveal that, at first, it was not clear how some of the terms in the formula were to be defined, particularly with respect to the percentage of non-francophone immigrants to the province. Once there was agreement on the definitions, the calculation of the formula became a routine exercise. Issues came forward again in the early 2000s as the federal government moved to an accrual accounting approach. As a result of this change, the public accounts were adjusted, which in turn led to discussions on the definition of net federal expenditures, one of the key factors in the formula. This issue was also eventually resolved and no new issues have emerged with respect to the calculation of the grant amount.

The calculation of the grant amount is done by CIC's Financial Management Branch. For the current year, the Public Accounts and FOSS data are used to determine the current year final payment. This is done in the fall of the current year. If an adjustment is required, the amount is then communicated to Treasury Board Secretariat (TBS) and the Department of Finance. They may in turn consult with the Privy Council Office, if deemed necessary.

For future year estimates, the amounts are communicated to the Department of Finance and TBS. Once approved, those amounts are earmarked in the fiscal framework. This is done on an annual basis after the tabling of a Federal Budget.

The grant payment is considered to be quasi-statutory in nature, given its inclusion in the *Accord*, and, therefore, a Treasury Board submission is not required in order to secure the necessary funds. The final amount of the previous year appears in the department's Main Estimates and any adjustments are made through the Supplementary Estimates process, with the final amount appearing in the federal government's Public Accounts. Payments are made on a quarterly basis. Information on the method used to calculate the grant amount is shared with the province of Quebec.

[35] CIC internal documents.

While the formula was deemed to be somewhat complicated by interviewees, their main concern was with the treatment of year-over-year decreases in the factors. If either factor in the formula is negative (i.e., if there is a year over year decrease in the number of non-francophone immigrants or in net federal expenditures), the factor is not adjusted downward but is instead set to zero, and as a result, the grant amount can never decrease. Interviewees mentioned this "escalation" factor as their main area of concern. The document review also provided evidence of internal discussions within CIC on the sustainability of the grant over time, given the escalation factor.

Since 1995-1996, the proportion of immigrants granted landing in Quebec in relation to the rest of Canada in the previous calendar year has always been lower than its proportion of the population of Canada. As a result, only the first formula has been used. Using this formula, the escalation factor has varied from a low of 2.2% in 2007-2008 to a high of 14.0% in 2008-2009 (see Table 4.3). It is interesting to note that the difference in the number of non-francophone immigrants to the province has been negative for four of the past five years while federal government expenditures have been positive in four of the five years. As a result, in the past five years, only one of the two factors has come into play in calculating the escalation factor in any given year. It remains to be seen whether this trend will continue in the future.

Table 4.3: *Canada-Quebec Accord* calculated escalation factor

	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Escalation Factor:					
Non-Francophone immigrants	18,473	18,886	17,931	17,919	17,780
% change from previous year	-6.6%	2.2%	-5.1%	-0.1%	-0.8%
Federal expenditures net of public debt ($ Millions)	151,928	151,808	173,133	177,848	197,958
% change from previous year	9.3%	-0.1%	14.0%	2.7%	11.3%
Total escalation factor to be applied	**9.3%**	**2.2%**	**14.0%**	**2.7%**	**11.3%**
Grant base amount ($'000)	177,325	193,859	198,193	226,034	232,190
Additional amount due to escalation factor (rounded) ($'000)	16,534	4,334	27,841	6,156	26,255
Amount of grant for current year ($'000)	**193,859**	**198,193**	**226,034**	**232,190**	**258,445**

Source: CIC Financial Management branch

Q6. To what extent is the approach to funding economical and efficient?

The approach to funding is economical from an administrative perspective. The routine nature of the grant calculation and the absence of any reporting requirements minimize the level of effort required to manage and monitor the administration of the grant. The evaluation, however, cannot conclude whether the amount of the grant represents the most economical use of funds.

The cost efficiency and effectiveness of the grant is not known, as the province of Quebec is not required to provide the data required to conduct an analysis.

Economy

The *Policy on Evaluation* defines economy as "minimizing the use of resources. Economy is achieved when the cost of resources used approximates the minimum amount of resources needed to achieve expected outcomes"[36].

The costs associated with the grant to Quebec can be divided into two groups: 1) the costs associated with administering the grant (i.e., administrative costs for CIC) and 2) the funding provided for the delivery and administration of integration services. In order to provide a basis for comparison, information is provided on the administrative costs and funding provided to other provinces and territories.

Administrative costs

From an administrative perspective, the cost of managing the grant is negligible. According to the department's Cost Management Model, the cost of administering[37] the grant totalled $1,522 in 2009. It is important to note that this amount represents the administrative costs of managing the grant payment[38]. It does not include any costs associated with managing the broader *Canada-Quebec Accord* or the costs associated with CIC's management of the bilateral and multilateral forums on settlement and integration in which the province of Quebec participates. As well, this cost information does not include the efforts put towards the administration of the grant from various CIC branches (including Finance Branch, International and Intergovernmental Relations Branch), as these efforts were not included in the definition used for the Cost Management Model for 2009-10[39].

In comparison, the cost of administering the contributions to the provinces of British Columbia and Manitoba totalled $454,291. This is due in part to the fact that the provinces of Manitoba and British Columbia report to CIC on the use of funds and also provide annual service plans that are reviewed by CIC. It also includes costs associated with promotion and outreach activities conducted by CIC in these two provinces. While costs to administer the grant to Quebec are low

[36] *Policy on Evaluation*, Annex A, Treasury Board of Canada Secretariat, April 2009.
[37] The amounts include contributions to employee benefit plans.
[38] The grant to Quebec is identified as a sub-activity in the department's program activity architecture. The program description for this element states that it "governs the transfer of funds under a federal-provincial agreement, the *Canada-Quebec Accord*."
[39] An analysis was done for this evaluation to determine the cost of all efforts from all areas within CIC that are directly related to the administration of the Grant to Quebec, and the revised cost is estimated at $162,000. This amount includes the time spent on activities related to the calculation and analysis of the grant, overall management of the file, and stakeholder relations around the Grant. CIC will take the necessary steps to explore options to ensure that all the time and efforts are captured in the next cost data gathering exercise.

in comparison, interviewees indicated that the main priority should be to ensure that the grant is effective in achieving its overall objectives.

Amount of funding

Table 4.4 lists the amount of funding provided to Quebec from 1991 to 2011. As mentioned previously, the amounts for 1991-1992 to 1994-1995 were identified in the *Accord*, while the amount for subsequent years are calculated using the formula outlined in the *Accord*.

Table 4.4: Grant amount – 1991-1992 to 2010-2011

Year	Grant Amount
1991-1992	75,000,000
1992-1993	82,000,000
1993-1994	85,000,000
1994-1995	90,000,000
1995-1996	90,000,000
1996-1997	90,000,000
1997-1998	90,000,000
1998-1999	101,452,000
1999-2000	102,910,000
2000-2001	104,140,000
2001-2002	111,723,000
2002-2003	157,380,000
2003-2004	147,440,000
2004-2005	165,304,000
2005-2006	177,325,000
2006-2007	193,859,200
2007-2008	198,193,523
2008-2009	226,034,000
2009-2010	232,190,000
2010-2011	258,445,000
2011-2012*	283,100,000

Sources: 1991-1992 to 1994-1995: *Canada-Quebec Accord*, Annex B; 1995-1996 onwards: Public Accounts of Canada
Note: 2003-2004 to 2006-2007 are adjusted to reflect the amount paid for those fiscal years.
* Planned amount.

Funding to other provinces

For many years, the funding level for the Settlement Program (previously LINC, ISAP, and Host), had been relatively static and various allocations methods were used to determine the settlement funding for services in all provinces and territories outside of Quebec. This changed in 2005 with the Canada-Ontario Immigration Agreement (COIA), which pre-determined the level of funding for services in the province of Ontario. This resulted in an additional $920M in funding for settlement and integration services in Ontario over five years. Additional funding for other provinces and territories was also granted to permit the alignment of the level of funding for PTs outside of Quebec. This could not be achieved because of the variation in the proportion of immigrants landing in Ontario versus those landing in other provinces/territories (PTs) outside of Quebec.

In March 2011, COIA was extended for one fiscal year until March 2012. In November 2011, the federal government announced that in 2012-2013, to advance fairness and meet settlement needs of newcomers across Canada, allocations for all PTs outside Quebec were to be fully determined using the national settlement formula[40].

This national funding formula is based on the number of immigrants in each province and territory outside Quebec, giving additional weight for refugees to account for their unique settlement needs, along with a capacity-building amount added to each jurisdiction.[41] This allocates settlement funding for services in various PTs outside of Quebec, taking into consideration the proportion of immigrants in each PT. Table 4.5 outlines the net allocations for each of the provinces and territories from 2006-2007 to 2012-2013, excluding Quebec.

Table 4.5: Settlement funding allocations, 2006-2007 to 2012-2013

	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Provinces							
Newfoundland and Labrador	$ 1,625,887	$ 1,675,639	$ 1,748,236	$ 1,880,669	$ 1,907,370	$ 2,223,039	$ 2,512,975
Prince Edward Island	$ 777,878	$ 1,122,023	$ 1,336,739	$ 1,915,475	$ 2,765,375	$ 3,946,142	$ 5,218,024
Nova Scotia	$ 3,247,106	$ 3,856,788	$ 5,396,022	$ 6,767,461	$ 7,097,327	$ 7,012,146	$ 7,078,944
New Brunswick	$ 1,729,577	$ 2,190,037	$ 3,100,581	$ 4,219,820	$ 4,715,257	$ 5,179,369	$ 5,664,069
Ontario*	$185,500,000	$304,300,000	$336,678,949	$390,781,775	$390,399,141	$346,521,868	$314,950,874
Manitoba	$ 14,826,120	$ 16,775,205	$ 21,900,364	$ 27,941,126	$ 29,429,097	$ 32,027,618	$ 36,539,512
Saskatchewan	$ 3,790,907	$ 4,465,855	$ 6,025,004	$ 8,030,275	$ 10,127,313	$ 14,255,519	$ 17,995,061
Alberta	$ 27,525,307	$ 32,435,900	$ 48,433,209	$ 58,536,986	$ 60,048,771	$ 64,071,989	$ 74,978,539
British Columbia	$ 71,499,523	$ 84,077,029	$106,399,529	$120,729,982	$114,079,030	$105,558,092	$109,813,233
Territories							
Northwest Territories	$ 538,873	$ 637,907	$ 599,640	$ 612,413	$ 633,079	$ 672,976	$ 723,998
Nunavut	$ 463,985	$ 540,681	$ 425,853	$ 434,030	$ 459,975	$ 463,377	$ 469,800
Yukon	$ 527,919	$ 617,476	$ 545,706	$ 571,080	$ 597,624	$ 709,534	$ 932,632
Net Allocations sub-total	**$312,053,082**	**$452,694,540**	**$532,589,832**	**$622,421,092**	**$622,259,359**	**$582,641,669**	**$576,877,611**
Innovation Fund**			$ 12,274,483	$ 29,375,584	$ 29,361,808	$ 16,028,557	$ 15,850,289
Total Allocations	**$312,053,082**	**$452,694,540**	**$544,864,315**	**$651,796,676**	**$651,621,167**	**$598,670,226**	**$592,727,950**

Source: CIC Financial Management branch

*From 2006-07 to 2010-11, the settlement allocations for settlement services in Ontario were determined under the Canada-Ontario Immigration Agreement. As of 2012-13, settlement funding in Ontario is being fully determined using the national settlement funding formula (2011-12 was a transition year).

**The Innovation Fund was created in December 2007, it applies as of 2008-09.

[40] *Backgrounder - Government of Canada 2012-13 Settlement Funding Allocations, CIC,* November 25, 2011.
[41] Ibid.

Per immigrant comparisons

In order to assess the degree to which the funding represents the minimum amount of resources needed to achieve expected outcomes, a benchmark was used. This benchmark is taken from a 2003 report by the House of Commons Standing Committee on Citizenship in Immigration which recommended that "overall funding for settlement programs should be augmented to reflect the increase in immigrant arrivals with a benchmark of $3,000 per newcomer being dedicated to settlement services"[42]. Taking into account inflation, the $3,000 benchmark suggested in 2003 would amount to approximately $3,337 in 2009[43]. It is worth noting that the benchmark of $3,000 only took into consideration the funding for settlement. It did not include resettlement and administration costs. In 2009-10, the funding per immigrant in Quebec had reached $4,692, while in the rest of Canada, per immigrant funding for settlement and resettlement was $3,639 (see Table 4.6).

Table 4.6: Funding per immigrant (based on expenditures), 2009-2010

	Operating Costs*	Grants and Contributions	Total
Resettlement Assistance of Refugees	$ 2,976,214	$ 14,728,443	$ 17,704,657
Income Support to Refugees	$ 6,531,802	$ 41,759,292	$ 48,291,094
Contributions to Provinces	$ 454,291	$ 157,498,220	$ 157,952,511
Newcomer Language training	$ 8,969,077	$ 199,549,811	$ 208,518,888
Newcomer Information, Community and Employment Bridging	$ 15,603,168	$ 283,625,130	$ 299,228,298
Foreign Credentials Referral Office	$ 4,829,084	$ 1,033,516	$ 5,862,600
Total	**$ 39,363,636**	**$ 698,194,412**	**$ 737,558,048**
Number of permanent resident landings in 2009 - Canada excluding Quebec			202,681
Per immigrant amount			**$ 3,639**
Grant to Quebec	$ 1,522	$ 232,190,000	$ 232,191,522
Number of permanent resident landings in 2009 - Quebec			49,491
Per immigrant amount			**$ 4,692**

* includes contributions to employee benefit plans

Sources: CIC Cost Management Model, 2009; CIC *Facts and Figures* 2011.

Note: This table does not include immigration loan support to refugees as it provides services across Canada including Quebec.

As stated previously, potential factors that were put forward by the province to establish the grant amount at the time of the creation of the *Accord* included: 1) the proportion of immigrants who could not speak French upon arrival and therefore would require additional assistance in learning French, 2) the percentage of immigrants settling in Quebec who were refugees and 3) the additional effort that would be required to integrate individuals into a francophone environment situated within a predominantly English-speaking North American environment. Using these criteria as a guide, statistics show that:

[42] *Settlement and Integration: A sense of Belonging*, Report of the Standing Committee on Citizenship and Immigration, June 2003.

[43] Source: Bank of Canada inflation calculator, www.bankofcanada.ca/rates/related/inflation-calculator/.

- the percentage of immigrants who did not know French upon their arrival in Quebec declined from 62.4% in 1991 to 38.5% in 2010; and
- the percentage of immigrants destined to Quebec who were refugees has also declined over time (from 30.2% in 1991 to 8.7% in 2010) (see Table 3.1).

Information is not available, however, to assess the third factor, namely the cost of integrating individuals into a francophone environment situated in a predominantly English-speaking environment. As a result, while the average amount of funding provided per immigrant in Quebec is higher than that provided to other provinces and territories, it is not possible to assess whether or not this difference is reasonable.

Efficiency and effectiveness

Efficiency is "the extent to which resources are used such that a greater level of output is produced with the same level of input, or a lower level of input is used to produce the same level of output. The level of input and output could be increases or decreases in quantity, quality or both"[44].

Based on this definition it is not possible to provide an analysis of the efficiency of the grant to Quebec. As stated previously, the province is not required to report on the use of the funds provided through the grant. The province's annual report provides information on the allocation of funding to various government departments and some output data such as the number of clients served. The report, however, does not link the output data to the funding provided by the federal government.

In the absence of a requirement to report on the results of the funding it is not possible to assess effectiveness. Linkages between the use of the funds and program outcomes, as stated previously, are not possible, given limitations in the availability of information.

[44] *Policy on Evaluation*, Annex A, Treasury Board of Canada Secretariat, April 2009.

5. Conclusions and recommendations

Relevance

Program need

Research has shown that immigrants have different resources and face various challenges during the settlement process. The federal government has provided funding to address these needs through a number of mechanisms, one of which is the grant to Quebec.

The grant to Quebec, a provision of the *Canada-Quebec Accord*, provides the province with the flexibility to deliver settlement services in alignment with the provincial objective of ensuring the integration of immigrants in Quebec in a manner that respects the distinct identity of the province.

Alignment with Federal Government and departmental priorities

The grant is aligned with federal government priorities with respect to federal-provincial relations, as CIC and Provinces/Territories share the common goal of making immigration programs responsive to the unique needs of each province and territory.

From a settlement perspective, the grant is aligned with CIC's strategic outcome of ensuring the participation of newcomers and citizens in fostering an integrated society.

Under the *Accord*, the federal government retains sole responsibility for citizenship. There is a question being raised however, with respect to CIC's ability to address the federal government's priority to ensure individuals understand Canadian values and are aware of their rights and responsibilities with respect to citizenship. To help individuals prepare for life in Canada and the citizenship test, information is often provided through settlement services, particularly via language training curricula. Language curricula in Quebec also follows this approach, however it solely provides information about Quebec culture.

Roles and responsibilities of the Federal Government

The federal government's role with respect to the provision of funding to the province of Quebec is appropriate, given the shared jurisdiction for immigration and the ability of CIC to enter into agreements with the provinces, as outlined in the *Immigration and Refugee Protection Act* of 2002.

As a result of changes to the *Financial Administration Act* in 2006, CIC must now evaluate every on-going grant program over a five-year cycle. Given that the province is not required to report to the federal government on the outcomes of the grant, CIC cannot fully adhere to this requirement.

Performance

Achievement of expected outcomes

When considered in their entirety, based on the document review and interviews, it appears that the settlement services provided in the province of Quebec generally correspond to those provided by the federal government in the rest of the country. Differences exist in how the programs are delivered, but in the absence of clear assessment criteria on which to base this comparison, a definitive conclusion on the degree to which the province is complying with this requirement cannot be reached.

Demonstration of economy and efficiency

The funds disbursed comply with the stipulations set out in the *Accord*. While the calculation of the grant amount is routine, the formula itself, which guarantees the grant amount will never decrease, is seen by interviewees as too rigid.

The approach to funding is deemed by interviewees to be economical from an administrative perspective. The routine nature of the grant calculation and the absence of any reporting requirements minimize the level of effort required to manage and monitor the administration of the grant. The evaluation, however, cannot conclude whether the amount of the grant represents the most economical use of funds.

The cost efficiency and effectiveness of the grant is also not known, as the province of Quebec is not required to provide the data required to conduct an analysis.

Recommendations

1. Given current FPT efforts to develop common settlement outcomes and indicators at the national level, it is recommended that CIC continue to engage the government of Quebec in discussing these common outcomes and indicators and in sharing information for the purpose of measuring and reporting on results achieved.
2. In order to help confirm that the reception and integration services provided by Quebec correspond, when considered in their entirety, with those provided by Canada elsewhere in the country, it is recommended that CIC:
    - re-examine and update the list of services set out in Annex B of the *Accord*; and
    - undertake an annual study of reception and integration services provided by Canada and Quebec.
3. It is recommended that CIC determine how the accountability requirements of the FAA apply to the Grant, given that the province of Quebec is not required to report on settlement and integration outcomes under the Grant.