

Visible minority neighbourhoods in Toronto, Montréal, and Vancouver

by Feng Hou and Garnett Picot

Within Canada's large cities, ethnic neighbourhoods with a significant presence of a visible minority group vividly reflect how successive waves of immigrants have adjusted and adapted to Canadian society. The once up-and-coming neighbourhoods of some earlier European immigrant groups, such as "Little Italy" or "Little Greece," have gradually dispersed or stopped growing as the result of declining immigration from these countries.

Unlike the 19th and early 20th century, immigrants arriving in the later half of the 20th century have settled primarily in a few large metropolitan areas. Many of these recent immigrants belong to visible minority groups.¹ In 2001, nearly three-quarters (73%) of the nation's 4 million visible minorities lived in Canada's largest census metropolitan areas (CMAs): Toronto, Montréal, and Vancouver.² According to the 2001 Census of Population, about one third (34%) of the visible minority population entered Canada during the 1990s, one third (33%) are immigrants who entered Canada before

1991 and another one third (30%) are Canadian-born.³ In 2001, the three largest groups, in the decreasing order of their population size, were the South Asians, Chinese, and Blacks in Toronto; Blacks, Arabs and West Asians, and South Asians in Montréal; and the Chinese, South Asians, and Filipinos in Vancouver.

In this article, the expansion of visible minority neighbourhoods in Canada's three largest CMAs is examined using Census data from 1981 to 2001. The article explores how visible minority neighbourhoods were formed. In particular, are they formed by non-visible minority residents moving out as large numbers of a visible minority group move into the neighbourhood?

Visible minority neighbourhoods are formed in a variety of ways

There are many possible reasons for the establishment of visible minority neighbourhoods in Canada's largest cities. International immigration has historically provided a demographic base for the emergence of ethnic neighbourhoods. Kinship ties and community

bonds associated with immigration may draw together newcomers of the same origin.⁴ Visible minority neighbourhoods could form rapidly if immigrants from a minority group settle exclusively

1. Visible minorities are defined by the *Employment Equity Act* as "persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour." Chinese, South Asians and Blacks are among the groups identified as visible minorities in the Employment Equity regulations.
2. Statistics Canada. 2003. 2001 Census: analysis series. *Canada's Ethnocultural Portrait: The Changing Mosaic* (Statistics Canada Catalogue no: 96F0030XIE 2001008).
3. In 2001, another 3% of visible minorities were non-permanent residents.
4. The Longitudinal Survey of Immigrants to Canada, conducted during 2000 and 2001, found that family and friends were a strong magnet for newcomers. In fact, 41% of newcomers chose where they live because they had a family member living there and 18% chose because they had friends living there. Statistics Canada. 2003. *Longitudinal Survey of Immigrants to Canada: Process, Progress and Prospects* (Statistics Canada Catalogue no. 89-611).

This study used data from the 1981 to 2001 censuses. Census tracts are small geographic areas that usually have a population of a few thousand. In 2001, the median population size of tracts was about 4,000 to 5,000. In this article, a census tract is the basic unit of neighbourhood. A census tract becomes a visible minority neighbourhood if a visible minority group represents over 30% of the population of the tract.

The isolation index measures the extent to which minority group members are exposed only to one another in their neighbourhood.¹ The index ranges from 0 to 100, and is interpreted as the probability that a member of one group will only meet other members of the same group. In this article, the groups are particular visible minorities. For example, an isolation index value of 13 for Blacks in Toronto is interpreted as Blacks having a 13% chance of only meeting other Blacks in their neighbourhood.

The isolation index depends on a group's residential segregation where a group becomes increasingly concentrated in particular neighbourhoods and on its proportion in the CMA's population. The effect upon the isolation index of changes in a group's proportion in the CMA's population between two time points can be estimated by holding the group's initial distribution constant.

Changes in the composition of visible minority neighbourhoods

Between 1981 and 2001, the population in some neighbourhoods grew substantially. When substantial growth occurs within a tract, the census divides it into two or more tracts. New tracts are also added as the boundaries of CMAs expand. To study changes in neighbourhoods over the 20-year period, census tracts were longitudinally

matched using published conversion tables. New tracts created due to CMA expansion are excluded from the longitudinal analysis of visible minority neighbourhoods.

The composition of the population in census tracts is traced between 1981 and 2001 using longitudinally-matched census tracts. Each tract is classified into one of four types based on the characteristics of the change in composition: relative concentration, rapid replacement, gradual transition and stable or in decline. In the case of "relative concentration", both non-visible minorities and a visible minority group increased in numbers in a neighbourhood, but the visible minority group increased at a faster pace. For both "rapid replacement" and "gradual transition", the non-visible minority population in the neighbourhood decreases while a visible minority group increases. "Rapid replacement" and "gradual transition" only differ in the rate of decrease of the non-visible minority population. "Rapid replacement" implies that the rate of decrease of the non-visible minority population is faster than that of "gradual transition."² Lastly, a minority neighbourhood is classified as "stable or in decline" if the percentage of the minority group did not increase between 1981 and 2001.

1. Massey, D.S. and N.A. Denton. 1993. *American Apartheid: Segregation and the Making of the Underclass*. Cambridge: Harvard University Press.
2. Visible minority neighbourhoods formed by rapid replacement have a non-visible minority population that decreases at a rate higher than the median rate among all tracts that experienced decreases in the non-visible minority population. The median rate of decrease between 1981 and 2001 was 24% in Toronto, 20% in Montréal and 21% in Vancouver.

How visible minority neighbourhoods are formed

Method of formation	Number of longitudinally-matched census tracts that are visible minority neighbourhoods in 2001
Total	142
Relative concentration	12
Gradual transition	15
Rapid replacement	111
Stable or in decline	4

Source: Statistics Canada, Census of Population, 2001.

in neighbourhoods where members of the same minority already live.

Concentration of a visible minority is most likely to occur in neighbourhoods with new housing developments and owner-occupied housing. Members of a visible minority group who arrive in large numbers may have a strong demand for home ownership, which can only be satisfied where housing is in plentiful supply. Group differences in housing demand and the spatial concentration of the supply of housing in a given period may influence the formation of visible minority neighbourhoods.

New immigrants could also be restricted to poor neighbourhoods with affordable housing since they often come at the bottom of the socio-economic ladder in the receiving society. Many neighbourhoods experience a life cycle as the neighbourhoods age and as relative housing values change. The composition of the population of the neighbourhoods also changes as families in a neighbourhood are often at similar life stages (child-birth, children in school, children leaving home, retirement). When neighbourhood housing no longer meets the needs for the residents' stage in the life course, they may move away to be replaced by new immigrant groups.

Residential segregation may also endure because of "social distance."⁵ There may be own-group preference in choosing neighbours, either on the part of minority group members to stay in proximity to each other, or as an avoidance strategy on the part of dominant group members. This tends to preserve ethnic residential segregation.⁶ Racism and discrimination may also play a role.

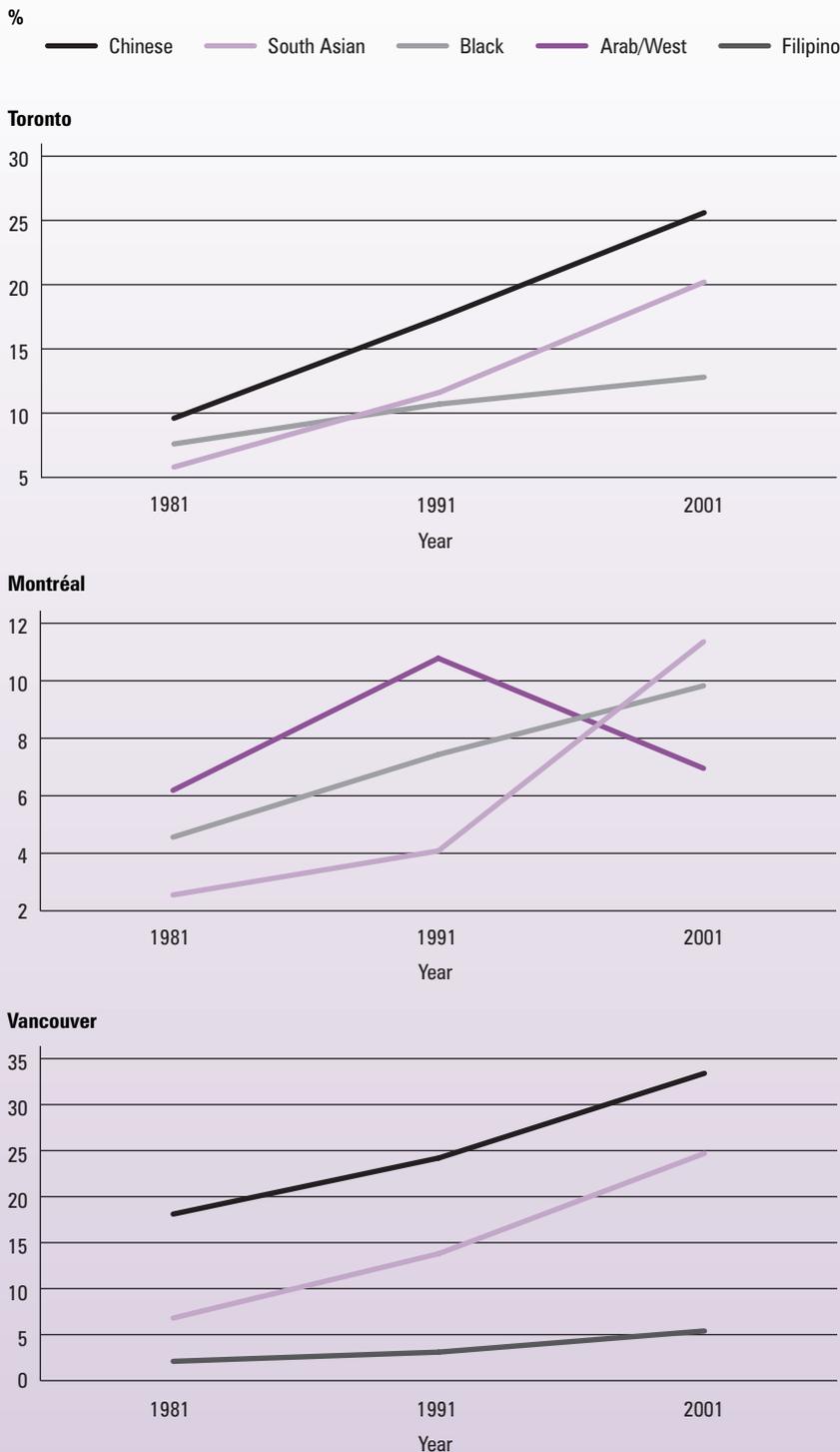
The number of visible minority neighbourhoods is growing

In this article, a visible minority neighbourhood has over 30% of its population from a particular visible minority group. The number of such

CST Visible minorities have an increasing share of the population in Canada's three largest CMAs			
		Visible minority group as a % of the total population	Isolation index
Toronto			
South Asian	1981	2.7	6
	1991	6.0	12
	2001	10.6	20
Chinese	1981	3.1	10
	1991	6.4	17
	2001	9.2	26
Black	1981	4.1	8
	1991	6.2	11
	2001	6.9	13
Montréal			
Black	1981	1.8	5
	1991	3.2	8
	2001	4.2	10
Arab/West Asian	1981	1.2	6
	1991	3.0	11
	2001	2.4	7
South Asian	1981	0.6	3
	1991	1.0	4
	2001	1.7	12
Vancouver			
Chinese	1981	6.8	18
	1991	10.9	24
	2001	17.4	33
South Asian	1981	3.0	7
	1991	5.4	14
	2001	8.4	25
Filipino	1981	0.9	2
	1991	1.6	3
	2001	2.9	5

Source: Statistics Canada, censuses of population.

- Massey, D.S. 1981. "Social class and ethnic segregation: A reconsideration of methods and conclusions." *American Sociological Review* 46, 5: 641-650; Driedger, L. 1989. *The Ethnic Factor: Identity in Diversity*. Toronto: McGraw-Hill Ryerson Limited.
- Schelling, T. 1971. "Dynamic models of segregation." *Journal of Mathematical Sociology* 1: 143-186; Clark, W. 1989. "Residential segregation in American cities: Common ground and differences in interpretation." *Population Research and Policy Review* 8: 193-197.



Note: 1996 was the first time a question on the population group was asked and used to derive counts for visible minorities. Prior to 1996, data on visible minorities was derived from responses to the ethnic origin question, in conjunction with other ethnocultural information, such as language, place of birth and religion. These changes in particular affected counts of the Arab/West Asian group.

Source: Statistics Canada, censuses of population.

neighbourhoods increased dramatically between 1981 and 2001 in Canada's three largest metropolitan areas; 6 in 1981, 77 in 1991 and 254 in 2001.⁷ More than 60% of these minority neighbourhoods were Chinese (157 out of 254), and they were primarily in Vancouver and Toronto. About one third were South Asian (83), distributed primarily in Toronto and Vancouver. There were relatively few Black neighbourhoods in Canadian cities: 13 in 2001. This may be because the Black population in Canada is a diverse population made-up of people who have been in Canada for several generations as well as immigrants from diverse regions, especially the Caribbean and Africa. Toronto and Vancouver have many more visible minority neighbourhoods (135 and 111, respectively in 2001) than Montréal (8).

In Toronto, most of the Chinese neighbourhoods are located in Scarborough, Markham and Richmond Hill, and less than 10% of Chinese neighbourhoods are in the old Chinatowns east and west of the downtown core. South Asian neighbourhoods are scattered over East York, North York, Scarborough, Mississauga and Brampton. Blacks are concentrated in Etobicoke and North York. In Montréal, the few minority neighbourhoods are scattered around the downtown area. In Vancouver, Chinese neighbourhoods are primarily located in the City of Vancouver and in parts of Richmond and Burnaby, while most of the South Asian neighbourhoods are in Surrey.

7. There was little overlap in the minority neighbourhoods of different groups. Among the 135 visible minority neighbourhoods in Toronto, only in three did both Chinese and South Asians represent at least 30% of the neighbourhood population. In addition, in only one neighbourhood did both South Asians and Blacks each have at least a 30% share of the population.

Visible minorities increased their presence in most neighbourhoods
Not only has the number of minority neighbourhoods increased, but the presence of visible minorities has also increased in other neighbourhoods. One of the measures of the average presence of a group in neighbourhoods across a CMA is the isolation index. This index is interpreted as the probability that a member of a visible minority group will meet only members of the same group in a particular neighbourhood.

The isolation index for the Chinese in Toronto and Vancouver and for South Asians in all three CMAs increased substantially. This was influenced by the arrival of new immigrants from the same visible minority groups and by the natural increase in visible minorities already in Canada. The Chinese in Toronto had an isolation index of 26% in 2001. This was up from 10% in 1981. The isolation index for the Chinese in Vancouver increased to 33% in 2001 from 18% in 1981. In 2001, the isolation index for South Asians in Vancouver was 25%; in Toronto, 20%; and in Montréal, 12%. Other visible minorities also experienced increases in their isolation indexes, although their isolation indexes remained much lower than those for South Asians and the Chinese.

The calculation of the isolation index is dependent on a group's residential segregation and upon the group's proportion of the total population in the CMA. In nearly all of the cases where the isolation index has increased, most of the increase is associated with the growth in a group's share of the city population rather than increased concentration of the group in particular neighbourhoods. Visible minority groups have a much larger share of the populations of Toronto, Montréal, and Vancouver in 2001 than in 1981.⁸ The increase is particularly strong among South

Asians, whose share almost tripled in Montréal and Vancouver and quadrupled in Toronto.

For the Chinese in Vancouver, all of the increase in their isolation index was due to the increase in their population share. For South Asians and Blacks in Toronto, Blacks in Montréal and Filipinos in Vancouver, over 70% of the increase in their isolation index was associated with a larger population share. Only among South Asians in Vancouver and Montréal was increased residential segregation the dominant factor in growth in their isolation index.

Visible minorities replace some non-visible minority residents in minority neighbourhoods

Most of the newly-formed visible minority neighbourhoods went through a transition where the population of the visible minority group increased while the numbers of those who did not identify themselves as visible minorities decreased. When the rate of decrease of the non-visible minority in a neighbourhood is greater than the median of all neighbourhoods losing non-visible minority population, this transition is called "rapid replacement," as a visible minority group replaces some of the non-visible minority residents.

In Toronto, 23 out of 26 newly-formed South Asian neighbourhoods, 24 out of 32 newly-formed Chinese neighbourhoods, and 5 out of 6 of Black neighbourhoods were created through rapid replacement in which many non-visible minority residents

moved out while visible minority group members moved in. In Montréal, all 3 Black and 3 South Asian neighbourhoods experienced rapid replacement. In Vancouver, 48 out of the 55 newly-formed Chinese neighbourhoods and 5 out of 12 South Asian neighbourhoods experienced rapid replacement.⁹

The visible minority presence increased in visible minority neighbourhoods and it also increased in neighbourhoods with lower concentrations of visible minorities. Even for the Chinese, who had the highest concentration level in Vancouver and Toronto among the selected groups, only about half of its population lived in Chinese neighbourhoods (i.e. with over 30% of the population who were Chinese). Less than 5% of the Blacks in Toronto and Montréal lived in Black neighbourhoods, probably because the Black population is diverse.

As visible minority neighbourhoods have become more common, analysis suggests that rapid replacement occurs only in the initial stage of neighbourhood transition. It is unlikely to lead to a complete turnover of population groups. This suggests that co-residence of members from different groups is an important element of communities, even in visible minority neighbourhoods.

Visible minority neighbourhoods have higher unemployment rates

Visible minority neighbourhoods are more likely to experience higher unemployment and low income rates than other neighbourhoods.¹⁰ As the

8. The exception is Arabs/West Asians in Montréal, which had a larger share of the CMA population in 1991 than in 2001. This is mostly likely due to changes in the definition of the Arab/West Asian group.

9. The numbers of visible minority neighbourhoods in this paragraph refer to longitudinally matched census tracts where over 30% of the population belongs to a visible minority group.

10. Hou, F. and G. Picot. 2003. *Visible Minority Neighbourhoods and Labour Market Outcomes of Immigrants*. Analytical Studies Branch research paper series (Statistics Canada Catalogue no. 11F0019MIE, no. 204).

presence of a minority group increases, so does the unemployment rate and low-income rate. For example, in Toronto, even though the proportion of the population with university degrees is similar across neighbourhoods with a Chinese presence,¹¹ the unemployment rate¹² rises from 5.7% in neighbourhoods with a minor presence of Chinese (less than 10%) to 7.1% in neighbourhoods where the Chinese account for at least 50% of the population, and the low-income rate increases from 17% to 23%.

Chinese communities in Vancouver and South Asian communities in all three CMAs have similar trends in unemployment and low-income rates. In 2001, the Black neighbourhoods in Montréal had particularly high unemployment and low-income rates, and high proportions of lone-parent families; the three neighbourhoods with a “strong” Black presence (over 30% Black) experienced an average unemployment rate of 21.7%, a low-income rate of 54%, and 41% of the families were lone-parent families. A growing body of literature in the U.S. and Europe points to the negative consequences of living in deprived neighbourhoods on individuals’ socio-economic mobility, health status, and criminal activity.¹³

There are, of course, many reasons for the poor economic outcomes in

visible minority neighbourhoods. Through the 1980s and 1990s, the economic outcomes of successive waves of immigrants to Canada have been declining,¹⁴ while their low-income rate has been rising.¹⁵ Recent immigrants tend to cluster in minority communities, and their economic outcomes are inferior. This affects overall economic conditions of the neighbourhoods where they live.

Summary

The mass immigration of visible minorities has made the ethnic mosaic in Canadian cities more diverse and visible. Visible minority neighbourhoods in Canada’s large metropolitan areas rapidly expanded between 1981 and 2001. These minority neighbourhoods were primarily concentrated among the Chinese and South Asians in Toronto and Vancouver. The rapid emergence of visible minority neighbourhoods in Canada’s three largest CMAs is associated more with the increase in a group’s share in the city population than with an increased concentration of the group in particular neighbourhoods. Most of the visible minority neighbourhoods were formed through an increase in the visible minority group in a neighbourhood, with a corresponding decline in the non-visible minority population.

Ethnic neighbourhoods may affect the socio-economic interaction both within a minority group and between the group and the rest of the society. Residential concentration enables the retention of ethnic identity and the maintenance of religious, educational, and welfare institutions that are crucial for the social interaction of the group. On the other hand, residential concentration of minority groups may result in social isolation and reduce minorities’ incentives to acquire the host-country language or to gain work experience and educational qualifications. Although neighbourhoods with a large concentration of visible minorities tend to have poor economic status, in terms of high unemployment rates and low-income rates, this may be because about one third of visible minorities are recent immigrants.



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11. “Neighbourhoods with a Chinese presence” refers to census tracts with at least one person who identified themselves as Chinese.

12. Unemployment rate is as of May 2001.

13. Massey, D.S. and N.A. Denton. 1993. *American Apartheid: Segregation and the Making of the Underclass*. Cambridge: Harvard University Press.; Pickett, K.E. and M. Pearl. 2000. “Multilevel analyses of neighbourhood socioeconomic context and health outcomes: A critical review.” *Journal of Epidemiology and Community Health* 55, 2: 111-122.

14. Reitz, J. 2001. “Immigrant success in the knowledge economy: institutional changes and the immigrant experience in Canada, 1970-1995.” *Journal of Social Issues* 57: 579-613; Frenette, M. and R. Morissette. 2003. *Will They Ever Converge? Earnings of Immigrants and Canadian-born Workers over the Last Two Decades*. Analytical Studies Branch research paper series (Statistics Canada Catalogue no. 11F0019MIE, no. 215).

15. Picot, G. and F. Hou. 2002. *Rising Low-income among Recent Immigrants in Canada*. Paper presented at the Canadian Employment Research Forum Conference and annual conference of the Canada Economics Association, May 30-June 2, 2002, Calgary.