

**THE ROAD TO SETTLEMENT: THE IMPACT OF SUBSIDIZED HOUSING
PROGRAM ON LOW-INCOME IMMIGRANT FAMILIES IN TORONTO**

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ABSTRACT

The Subsidized Housing Program plays a critical role in ensuring housing stability for low-income immigrant families in Toronto, yet its distribution and accessibility remain pressing concerns. This study examines the spatial relationship between subsidized housing availability, low-income prevalence, and immigrant population density using data from the Toronto Open Data Portal. Through correlation analysis and mapping, the study identifies clear patterns of housing accessibility and economic vulnerability among immigrant communities. The findings reveal a strong overlap between subsidized housing locations and neighborhoods with high concentrations of low-income immigrant families, indicating that the program is being allocated in areas of need. However, the limited supply of subsidized housing continues to present significant challenges for these communities. To address these gaps, the study highlights the need for integrated housing policies that not only expand affordable housing options but also promote economic mobility and social inclusion. Key recommendations include increasing subsidized housing availability in areas with greater employment opportunities, strengthening public service integration, and adopting mixed-income community models. These findings contribute to the broader discourse on urban equity, immigrant integration, and sustainable housing policies in Toronto.

Introduction

Toronto is a site of attraction for immigrants, as it is seen as a land of abundant job opportunities, reasonable cost of living, and advanced healthcare system. This has caused Toronto to become one of the most diverse cities in the world, with immigrants making up more than half of the city's population. Despite being so important to the economy and culture, immigrants are unable to obtain jobs that reflect their level of education and struggle to acquire housing. Immigrants experience a median after-tax income gap is 13.3%, while the average after-tax income gap is 12.2% (Bauder, 2006). Housing stability is also a crucial factor for immigrant economic and social integration. However, high housing costs, limited affordable rental units, and structural discrimination all hinder immigrant access to housing in Toronto.

Recent policy changes, including the removal of rent control for newly built units, have exacerbated housing affordability issues, which disproportionately impacts low-income immigrant communities in Toronto. Implicit biases in the labour market favor Canadian-born tenants, while labor market barriers—such as the devaluation of foreign credentials and employers' preference for Canadian experience—further hinder economic mobility. Many immigrant families, particularly those in racialized communities, face long wait times for subsidized housing, forcing them into overcrowded or substandard living conditions. These structural challenges create a cycle of economic vulnerability, pushing many immigrants into precarious housing situations.

The purpose of this study is to examine how subsidized housing, along with other factors, is related to poverty rates among immigrants, primarily through spatial analysis of the distribution of subsidized housing. This study explores whether subsidized housing is equitably distributed and effectively serves low-income immigrant communities on subsidized housing, low-income rates, and immigrant populations and employing correlation analysis and geospatial mapping to identify patterns in housing accessibility. The rest of this paper starts reviewing existing literature on immigrant housing challenges, economic disparities, and policy frameworks. Following this, it outlines the data sources and methodology, drawing from the Toronto Open Data Portal to analyze subsidized housing, low-income rates, and immigrant populations. Using correlation analysis and mapping, the study then presents findings on the spatial distribution of subsidized housing. Building on these results, the discussion section examines policy implications for improving immigrant access to affordable housing. Finally, the conclusion summarizes key findings, acknowledges study limitations, and offers recommendations for future policy improvements.

Related Work

This section reviews existing literature on the employment challenges faced by immigrants, racial discrimination in housing, and the broader impacts of subsidized housing programs in Toronto. By exploring these interconnected issues, it provides a foundation for understanding how housing policies affect the economic mobility and social integration of low-income immigrant communities.

Immigrant Employment and Economic Challenges

Grenier and Nadeau (2011) compared the experience between the immigrants of Montreal and Toronto, explaining why Toronto has higher employment rates and fewer integration challenges than Montreal. Key features that benefit immigrant integration in Toronto include more linguistic and cultural diversity, English proficiency is often enough (in comparison to French and English), the presence of an already existing immigrant population allows for networks and opportunities, more immigrant-g geared policies, and more diverse job opportunities.

While Toronto offers more economic opportunities for immigrants compared to Montreal, structural barriers persist. Muñoz and Javier (2016) examine the systemic racial bias in Canada's immigration system, particularly in the point-based immigration system that evaluates education, age, language proficiency, and job skills. Even though race is not considered, this system still enforces the dominant political/economic groups, being biased against race. After immigrants move to Canada, their credentials are undervalued. This can be seen through visible minorities in low-paying jobs, skilled immigrants in underemployment, and dominant groups in privileged, stable roles. In addition, employers often value local education and experience far more, even for entry-level jobs. This leads to highly qualified immigrants to occupy subordinate roles in stable sectors like education, business, and government. A large proportion of skilled immigrants fail to secure roles commensurate with their qualifications within the first four years. Furthermore, immigrants lack soft skills like etiquette, societal norms, and how to please their boss, making it hard for them to integrate. Even when facing all these problems, the stigma of Canada being diverse and accepting has created a "There's No Racism, But..." Narrative; a recurring theme in testimonies is the acknowledgment of subtle biases while maintaining that racism is not a significant issue.

Mensah and Williams (2022) explain how Canada has created an “us vs them” situation with Black Canadians, as they are sometimes not considered “true Canadians”. Black Canadians are disproportionately in lower income brackets. 67% of Black people are in the bottom five income deciles (2016 Census), compared to 47% of non-visible minorities. This income disparity has a direct relationship to COVID-19 impact. For example, it is hard not to get COVID-19 when you must live in a crowded area with low hygiene. There is also no federal mandate for race-based COVID-19 data in Canada, but Toronto, Montreal, and Vancouver are collecting data or using neighborhood data as proxies. Low percentages of Black Canadians are also preventing more data from being collected, with 3% in 2016, 4.3% in 2021. Despite being a smaller demographic, Black Canadians are the third-largest racialized group in Canada. Drawing on scholars like Rawls, Sen, Foucault, Mbembe, and Agamben, frameworks to improve the life chances of Black Canadians and other racialized groups during crises.

Immigration Patterns and Housing Affordability in Toronto

Murdie (2008) explores the ongoing discussions about whether to maintain or increase immigration levels in future decades in Canada. Many concerns about the country’s capacity to accept more immigrants exist, as in the early 20th century, Canada had a low population. This made immigration a significant driver of population growth. Now immigration has a smaller impact percentage-wise on the population. In addition, immigrants now move to cities instead of the suburbs. Earlier immigrants were primarily from Europe. Now, there is a rise in immigrants from Asia, Latin America, the Caribbean, the Middle East, and Africa.

Bauder (2006) proves that employment outcomes are influenced by: productive capacity (skills and qualifications), and group affiliation (racial or ethnic identity). Employment is very important for people’s livelihood, identity formation, and claiming belonging and full citizenship. However, employment racism exists that bars immigrants from getting employed. There is differential access to employment, and barriers preventing equal opportunities. Immigrants face challenging career progression and wage disparities. There are persistent double-digit income disparities between racialized and non-racialized individuals from 1996 to 2001. The median after-tax income gap is 13.3%, while the average after-tax income gap is 12.2%.

Preston and Giles talk about the history of Canada and how that has impacted immigrant women (1997). Canada has experienced an economic restructuring. Manufacturing jobs have decreased, being outsourced or relocated to peripheral urban areas. Between 1981-1984, Toronto lost over 50,000 manufacturing jobs, and a second recession (1990-1992) led to the loss of 60,000 more jobs (Murdie 1994; Norcliffe et al. 1986). Service sector jobs have increased, especially in urban centers, such as consumer, business, and financial services. Immigrant women are disproportionately affected by this shift, as service jobs pay less and fewer advancement opportunities. Immigrant women were also mostly in those low-skill manufacturing jobs, and experienced greater economic vulnerability due to the loss of entry-level jobs that had previously provided opportunities for career advancement. Little research has been done on the additional challenges faced by immigrant women due to their gender. Gender has often been overlooked in studies on ethnicity, class, and immigration in Canada, with most studies usually focused on men in the workforce. Immigrant women earn less than their Canadian-born counterparts, with larger discrepancies for "visible minorities" and certain ethnic groups (Boyd 1991).

Opposition to immigration is not solely due to racism, but highly correlated to the unemployment rate. Palmer (1996) shows that older respondents are most intolerant but younger respondents show the strongest opposition to immigration. Unemployed Canadians have strong concerns about job competition while retired people have minimal concern about unemployment but are often more racist. Urban residents also have greater concern about crime than rural residents. Current arguments against anti-immigrant policies from rational concerns cannot be simplified into racism and dismissed.

Housing Inequality and the Subsidized Housing Program

Gyimah et al (2005) explain that the difference in housing wealth between old immigrants and new ones show two phenomena. The Spatial Assimilation Theory, which suggests that as ethnic minorities achieve socio-economic progress, they are more likely to integrate into neighborhoods with higher housing values. The systemic discrimination and structural barriers limit minorities' access to desirable housing markets, regardless of socio-economic status.

Pinki (2020) talks about how the housing Demand in Toronto has increased significantly. New immigrants are drawn to large cities like Toronto, increasing demand for housing. However, Toronto lacks the capacity to meet the housing needs of both domestic and immigrant populations. The provincial government removed rent control for newly built or vacant housing units. This enabled developers and landlords to raise rents, exacerbating the affordability crisis. The supply and demand model has failed to help low-income earners, particularly immigrants, secure affordable housing. The inclusionary Zoning Policy is still in the discussion phase.



Figure 1. Google Street Views of locations affected by the housing crisis and show housing inequality (a) Moss Park, (b) Dundas, (c) Shermount Ave, and (d) Lawrence Ave.

In addition to the scholarly exploration of housing inequality, we also examine the housing crisis in Toronto through Google Street Views, as shown in Figure 1. This figure captures a wide range of living conditions that reflect the city's housing disparities. Figure 1(a) depicts a park encampment, highlighting the growing issue of homelessness in urban areas. Figure 1(b) shows high-rise apartments, representing the increasing concentration of residents in vertical spaces. Figure 1(c) illustrates newly built low-rise townhouses in Toronto, which have attracted many residents. Finally, Figure 1(d) showcases commercial areas like Lawrence Ave, where chain stores have caused urban sprawl and gentrification. Together, these Street Views offer a realistic and urgent portrayal of housing inequality in Toronto, urging further examination of how subsidized housing programs affect both long-term residents and newcomers.

3. Data and methodology

This study employs a mixed methods to examine the spatial relationships between subsidized housing distribution, low-income rates, and immigrant population density in Toronto. The analysis is based on publicly available datasets from the Toronto Open Data Portal, which provides comprehensive demographic, economic, and housing-related information at the neighborhood level. These datasets allow for an in-depth investigation into the spatial intersection of immigration, economic vulnerability, and housing accessibility.

The subsidized housing dataset contains information on the geographic locations and capacity of subsidized housing units across Toronto, as well as their availability and accessibility. This dataset is critical for understanding the distribution of government-supported housing and its alignment with economically disadvantaged neighborhoods. The low-income rate dataset is derived from the records from the Toronto Open Data Portal and identifies areas with a high proportion of low-income households, using the low-income rate as an indicator of economic vulnerability. This measure accounts for households earning significantly below the city's median income and provides insights into the economic segregation of Toronto's urban landscape. The immigrant population dataset maps the percentage of foreign-born residents in different neighborhoods. This dataset enables an assessment of settlement patterns and helps determine the extent to which immigrant communities overlap with low-income areas and subsidized housing programs.

The study employs three primary methodological approaches: correlation analysis, mapping, and comparative neighborhood analysis. First, correlation analysis is conducted using Pearson correlation coefficients to quantify the statistical relationships between subsidized housing availability, low-income prevalence, and immigrant population density. This analysis helps determine whether neighborhoods with a higher concentration of subsidized housing also exhibit higher rates of economic hardship and immigrant settlement. By identifying these correlations, the study can assess the extent to which subsidized housing policies effectively support vulnerable populations.

Second, mapping is performed to visualize the spatial distribution of subsidized housing, low-income communities, and immigrant populations. Choropleth maps are generated to highlight areas where these three factors intersect. This cartographic technique allows for the identification of distinct spatial patterns, such as the clustering of subsidized housing projects in historically low-income

neighborhoods or the concentration of immigrant communities in specific districts. Mapping also facilitates a comparative examination of different regions, illustrating the disparities in housing accessibility across Toronto.

In addition, a comparative neighborhood analysis is conducted to provide a more localized perspective on the dynamics of subsidized housing, economic disadvantage, and immigrant settlement. This approach focuses on key neighborhoods such as Jane and Finch, Scarborough, and Thornhill, where a significant overlap between low-income populations and immigrant communities is observed. These neighborhoods serve as case studies for assessing the long-term impact of housing policies and economic restructuring on immigrants in Toronto.

4. Empirical Results

Based on the methodologies above, this section presents the empirical results. Several key trends emerge, offering insights into the socioeconomic and policy dynamics shaping the city’s housing landscape.

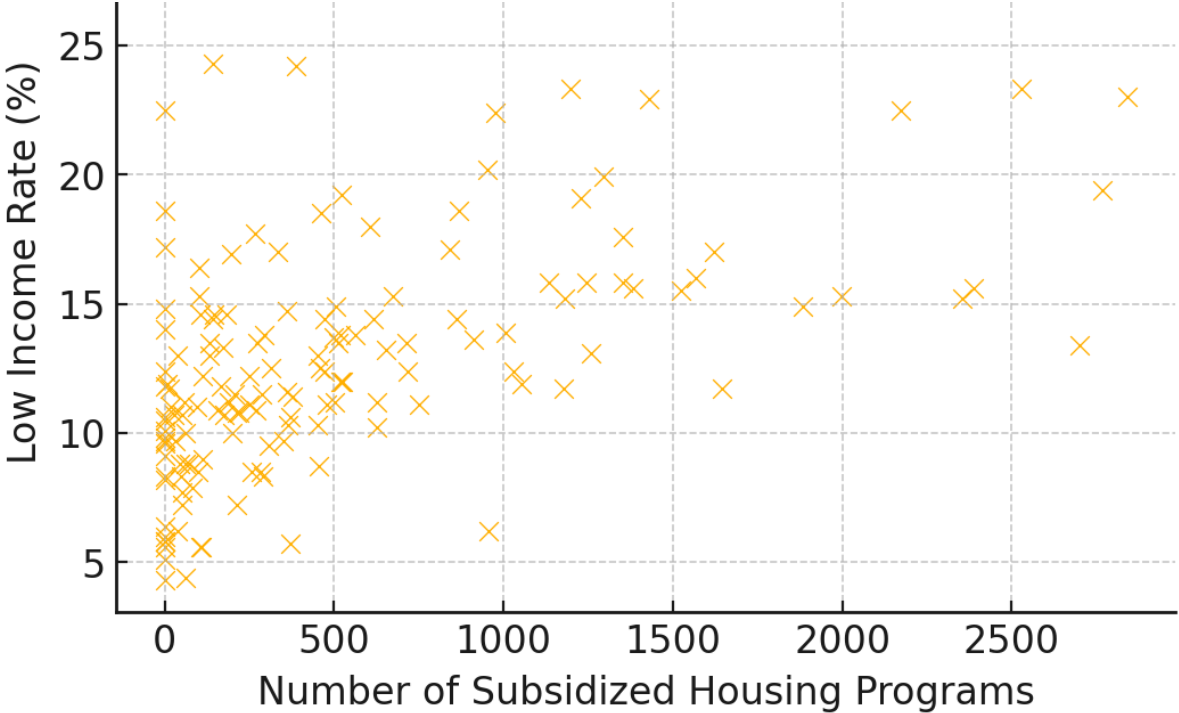


Figure 2. The relationship between the number of subsidized housing units and the low-income rate across Toronto neighborhoods

Figure 2 displays a scatter plot that shows the relationship between the number of subsidized housing units and the low-income rates across various neighborhoods in Toronto. The analysis reveals a weak positive correlation, suggesting that neighborhoods with a higher concentration of subsidized housing are generally those with a higher proportion of low-income households. The data points are spread across a broad range, with neighborhoods having between 0 and 2500 subsidized housing units, and low-income rates ranging from 5% to over 25%. Most of the data points cluster within a moderate range, with subsidized housing units typically falling between 500 and 1500 units and low-income rates between 10% and 15%. This indicates that neighborhoods with a moderate amount of subsidized housing tend to have slightly higher low-income rates. However, the weak correlation also suggests that other factors may influence the relationship, and government policies may have targeted this issue only to a limited extent.

The clustering of low-income residents in areas with subsidized housing, particularly in neighborhoods with between 500 and 1500 subsidized housing units and low-income rates ranging from 10% to 15%, suggests that government intervention has been effective in addressing housing insecurity. However, this pattern also points to the potential for spatial economic segregation, where neighborhoods with a higher concentration of subsidized housing tend to have larger proportions of low-income households. While these programs effectively tackle immediate affordability issues, they raise long-term concerns about social mobility and neighborhood stigmatization. For instance, in areas like Jane and Finch in Toronto, despite the efforts to provide affordable housing through subsidized programs, the area has been stigmatized over the years due to the high density of low-income families. This has led to negative perceptions of the neighborhood, labeling it as "high-crime" and "economically depressed," which in turn restricts residents' opportunities for upward mobility and discourages investment and development in the area.

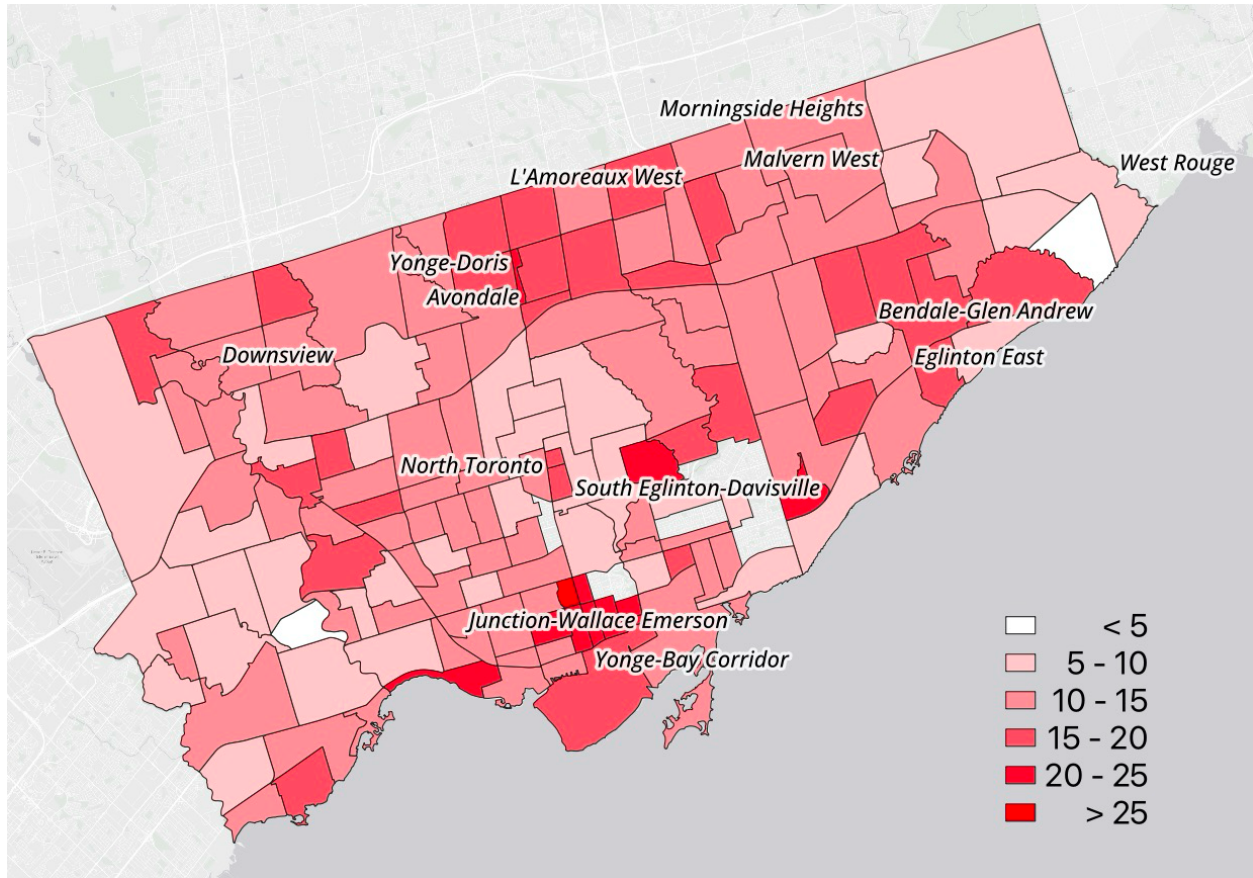


Figure 3. Low Income Rate (%)

The geographic distribution of low-income rates across the Toronto region reveals distinct spatial patterns. According to the most recent 2021 data, areas with a high proportion of low-income households are primarily concentrated in neighborhoods to the west of the city center, such as Jane and Finch, as well as parts of Scarborough in the east. **Figure 3** clearly illustrates this trend, showing significant concentrations of low-income households in these areas, with some neighborhoods exhibiting low-income rates exceeding 20%. Historically, these neighborhoods attracted large numbers of working-class residents who were dependent on manufacturing and low-skilled industries during the industrialization period. However, with the economic restructuring and industrial shift in the late 20th century, income growth in these areas lagged the citywide average, leading to higher concentrations of low-income populations. Moreover, the relatively affordable housing prices and convenient public transportation options in these areas make them attractive to low-income families, further reinforcing this distribution pattern.

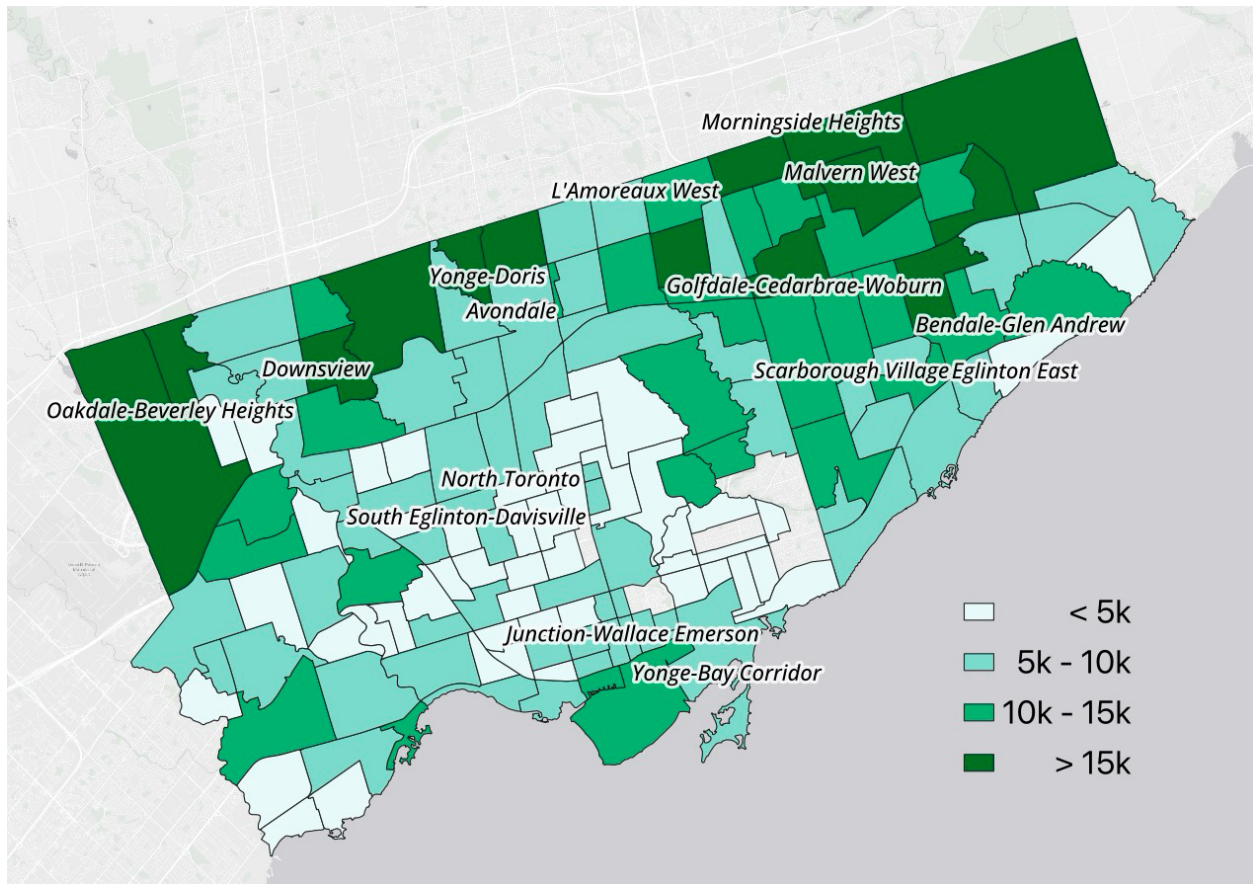


Figure 4. The Number of Immigrant Population

The distribution of immigrant populations overlaps to some extent with that of low-income households. Figure 4 illustrates this overlap, showing that immigrant populations are heavily concentrated in the same regions with high low-income rates, such as Eastern Scarborough and northern Thornhill, which have become major hubs for immigrant communities. This pattern is deeply connected to Canada’s historical immigration policies and Toronto’s identity as a prominent destination for newcomers. Many immigrants initially settle in more affordable neighborhoods, where lower living costs and established immigrant networks provide essential economic and cultural support. Scarborough has long served as a primary gateway for new immigrants, fostering concentrated communities from South Asia, East Asia, and Africa. These areas are often equipped with cultural and linguistic support services, such as places of worship, ethnic grocery stores, and bilingual schools, which further enhance their appeal as settlement areas for immigrants. In the recent decade, immigrants have also preferred to settle in urban cities over suburbs due to the perceived higher job opportunities. However, immigrants often experience higher rates of poverty due to

different obstacles in cities. Notable obstacles include implicit and explicit racism, language barriers, and a lack of soft skills. Employers value local education and job experience a considerable degree more than foreign experiences, even for entry-level jobs. This has led to a gap between the average and median pay of recent immigrants and other citizens. Furthermore, recent immigrants also do not have the social soft skills and networks that are often needed to acquire a high-level job.

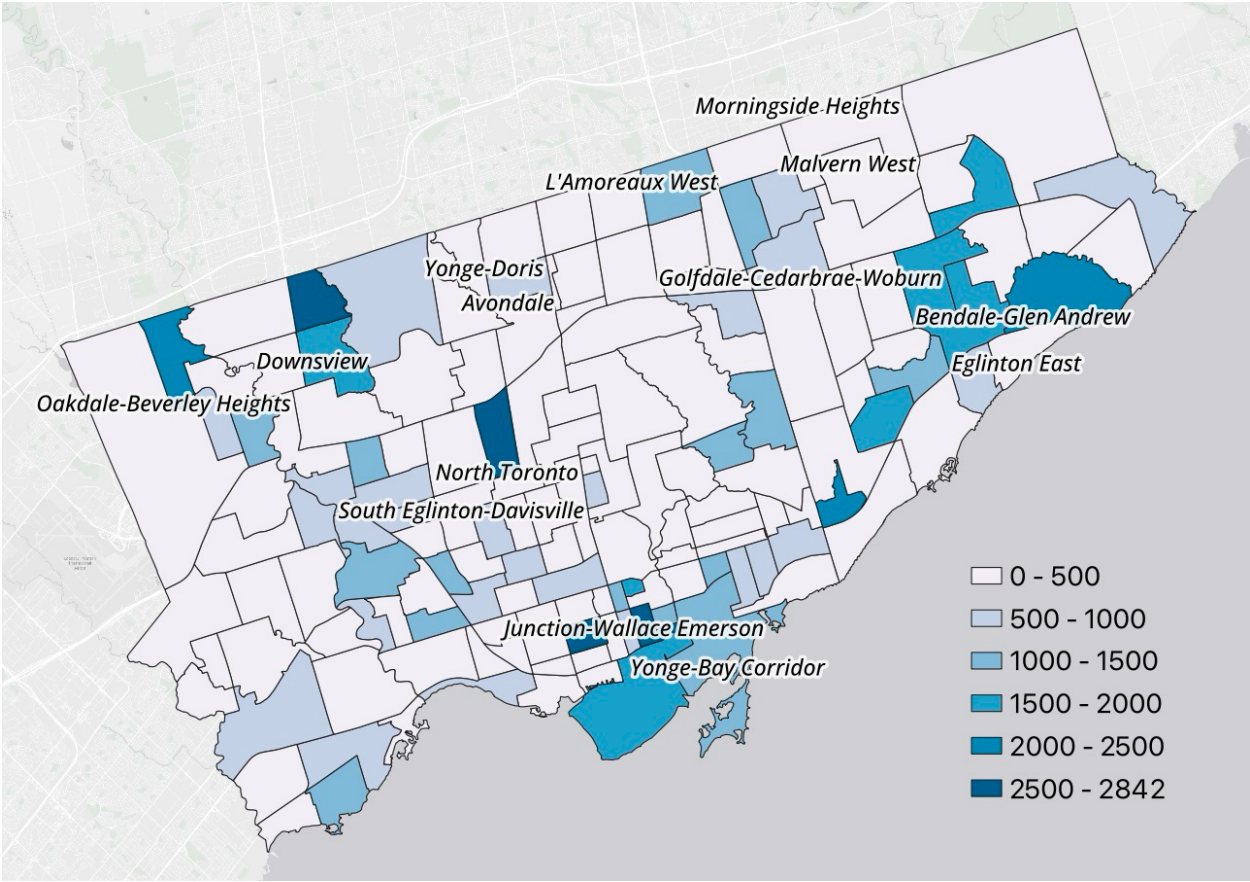


Figure 5. The Number of subsidized housing program

The spatial distribution of subsidized housing programs is strongly linked to low-income rates. Figure 5 illustrates this relationship, showing that neighborhoods such as Jane and Finch in the west and Eglinton East in the east have higher concentrations of subsidized housing projects, which is a direct outcome of government policies. Since the 1970s, Toronto’s housing policies have prioritized providing supportive housing to low-income communities, directing resources to address the economic and housing challenges in these areas. For example, parts of Scarborough saw a rise in

subsidized housing projects as part of urban renewal efforts. These policies have not only met short-term housing needs but also reflect the government's commitment to securing housing stability for economically vulnerable groups.

Overall, the overlap of subsidized housing programs, low-income rates, and immigrant populations highlights the complex interaction between policy and socioeconomic factors. Figures 3, 4, and 5 collectively underscore the high demand for subsidized housing among low-income households and new immigrants while shedding light on the historical and policy-driven development of these areas. However, the concentrated allocation of resources in these neighborhoods may unintentionally stigmatize them as "poor neighborhoods," which could impede their long-term growth and development. To promote regional equity and sustainable growth, future urban planning in Toronto must strike a balance between policy support and comprehensive community development, fostering both social integration and economic prosperity.

Discussion

Based on the above empirical analysis results, we argue that the integration of subsidized housing programs with public service infrastructure should be strengthened. Immigrants and low-income families, when adjusting to a new environment, need more than just housing; they require access to essential public services such as education, job training, language support, and mental health care. To maximize the social benefits of subsidized housing, these projects should be strategically located near these resources, such as along subway lines, in areas with abundant educational facilities, or close to immigrant service centers. This can be especially impactful for those who need to work multiple jobs or take care of children, as transportation time can be minimized.

Additionally, innovative models that connect subsidized housing programs with economic opportunities should be explored. For example, developing subsidized housing in areas with abundant job opportunities can offer immigrants and low-income families better access to employment. At the same time, a "mixed-income community" model could be implemented, where new housing projects include residents from various income levels. This approach would help avoid the social isolation often experienced by low-income groups. By promoting interactions between diverse groups, it can speed up the integration of immigrants and reduce negative perceptions of certain neighborhoods. This has already been seen to be successful in Regent Park, where subsidized

housing, rentals, and condominiums were built within walking distance of retail stores, parks, and a community center.

Last but not the least, to tackle the long-term housing challenges faced by immigrants and low-income families, efforts must focus on increasing the supply of affordable housing at the root level and improving immigration settlement and employment policies. The lift of rent control has allowed landlords to increase rent, exacerbating the housing crisis. Meanwhile, the inclusionary Zoning Policy is still in the discussion phase. Reintroducing rent control or introducing zoning policies will significantly benefit low-income earners and immigrants. Furthermore, supporting small developers and nonprofit organizations in the Toronto area to build more affordable housing, along with offering tax incentives to encourage private sector involvement, can help reduce the over-reliance on subsidized housing programs, providing a broader range of housing options for immigrants and low-income families.

Concluding remarks:

This study explored the spatial relationship between subsidized housing distribution, the prevalence of low-income households, and immigrant population density in Toronto, offering valuable insights into the complex interactions between housing policies and socio-economic dynamics. The empirical analysis showed that subsidized housing projects are disproportionately concentrated in low-income neighborhoods, which aligns with the government's objective of addressing housing insecurity among economically disadvantaged groups. However, the study also revealed a weak positive correlation between the distribution of subsidized housing and both immigrant population density and low-income rates, it also suggests that other factors may influence the relationship, and government policies may have targeted this issue only to a limited extent. In other words, the subsidized housing is being applied in the right areas, it is far lacking in amount.

Despite these important findings, the study has certain limitations. First, the reliance on publicly available data from the Toronto Open Data Portal may have introduced some limitations, particularly regarding the granularity and accuracy of specific socio-economic indicators. Additionally, the focus of the study was primarily on the spatial distribution of subsidized housing, and while it identified key correlations, it did not delve deeply into the qualitative experiences of immigrant families or the unique challenges they face in these neighborhoods. Future research should explore the lived

experiences of these communities, particularly through interviews and ethnographic methods, to gain a more comprehensive understanding of the real-world impacts of housing policies.

Looking ahead, there is considerable potential for further research into how different housing models—such as mixed-income communities or integrated housing initiatives—can better meet the social and economic needs of immigrant and low-income populations. Future studies could also explore the impact of local policies, such as rent control and zoning regulations, on the accessibility and sustainability of housing for these groups. Additionally, comparative studies between cities or regions facing similar housing challenges could provide valuable insights into alternative policy frameworks and best practices.

The broader impacts of this research are wide-ranging. By examining the spatial patterns of housing distribution and their socio-economic implications, this study contributes to the ongoing conversation about urban equity and the need for more comprehensive and integrated housing policies. It emphasizes the crucial role that both the quantity and quality of subsidized housing play in supporting long-term social mobility and inclusion. The findings also offer practical guidance for policymakers in Toronto and other urban centers confronting similar issues, encouraging the development of policies that not only provide affordable housing but also foster economic opportunities, cultural integration, and sustainable community growth. Ultimately, this research aims to contribute to building more inclusive and equitable cities, where all residents, regardless of their income or immigration status, have access to secure, dignified housing and the opportunity to thrive.

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