

Earnings & Employment Trends ♦ June 2003

The Unemployment Experience of Young Immigrants

This article examines the youth unemployment rate at the time of the 2001 Census. Emphasis is on how visible minority youth are faring in the BC workforce, particularly those who were not born in Canada.

In 2001, the youth unemployment rates for both the visible minority population and the non-visible minority population were virtually identical, at 15.8 and 15.9 per cent, respectively.

Based on data from the 2001 Census, there is no evidence that the Visible Minority youth population, overall, has any more trouble finding work than the Non-Visible Minority youth population.



In fact, among Canadian-born youth living in BC, the visible minority population actually had a lower unemployment rate (14.9%) than their non-visible minority counterpart (15.8%).

However, there are some visible minority groups that do appear to have a relatively more difficult time in the labour market. Persons of Arab or West Asian descent had the highest unemployment rate at approximately 21 per cent as did the youth with Latin American heritage. Youth with Southeast Asian heritage (such as Vietnamese, Malaysian, Indonesian, etc.) also had rates well above those of non-visible minority youth.

What are the factors that explain why the young of some ethnic groups find it easier to obtain work than others?

Whether the youth is Canadian-born or an immigrant has a large impact on unemployment rates. Among most immigrants, unemployment rates are considerably higher than their Canadian-born ethnic counterparts, and unemployment improves, the longer they live in Canada.

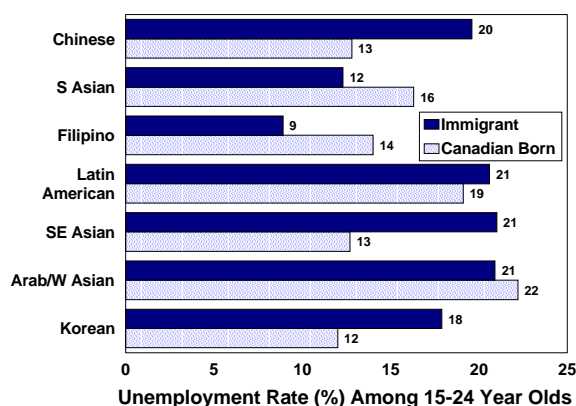
For example, Chinese youth, who represent approximately one-half the total visible minority youth in BC, had an overall unemployment rate of 16.6 per cent. However, among those born in Canada, the rate was 12.8 per cent, almost 7 percentage points lower than for those who immigrated to Canada (19.6%)¹. The longer the immigrant

¹ As well, the unemployment rate of Canadian-born Chinese youth is 3 percentage points below that of the Canadian-born non-visible minority youth (15.8%).

Chinese youth lives in Canada, the lower the unemployment rate, decreasing from the 19 per cent range among those who came to Canada in the previous five years to around 14 per cent for those who were pre-school age when they immigrated.

While the unemployment experience of Chinese youth is similar to that of most immigrants, the chart below shows that some young visible minority immigrant groups do very well in the BC labour market.

Among some groups of Visible Minorities, the young Immigrant population fares very well in the BC workforce.



Ethnic groups that stand out in this regard are the South Asians (primarily from India) and the Filipinos. South Asian immigrant youth have a relatively low unemployment rate almost as soon as they settle in Canada, averaging only 12 per cent in the first 5 years. Likewise with Filipino youth, but to add to that, the unemployment rate of those who have been in the country more than 5 years is less than 7 per cent. This is an extremely low rate for that age group.

Why the young members of these two ethnic groups seem to fare so well in the workplace is difficult to determine from

the Census tabulations available.² Perhaps it has something to do with differing English language knowledge upon arrival in Canada or maybe their cultures are more inclined to form family businesses, thus providing employment opportunities for their children. Whatever it is, youth from these two immigrant ethnic groups demonstrate very strong workforce attachment.

On the other hand, two ethnic groups whose youth appear to have difficulty finding work, are the Arab/W.Asian and the Latin Americans. Both the Canadian-born and the immigrant population have problems—their unemployment rates were close to 20 per cent in 2001. Perhaps the explanation for this is, over the past 20 years, a high proportion of immigrants from these parts of the world have been refugees. Canadian immigration laws do not require immigrants with “refugee status” to have the labour market skills demanded of independent immigrants. As a result, the adult population of these ethnic groups show relatively high unemployment rates, so perhaps their offspring as well are disadvantaged in terms of education and job-finding skills.

Southeast Asian immigrants also experience very high unemployment, but the pattern of unemployment by length of time in Canada is opposite to the norm. The new arrivals to Canada experience rates at the relatively low level of 13 per cent but those who have been in the country for over 10 years

² More comprehensive Census tables on the immigrant population are scheduled for release in October, 2003.

have rates above 20 per cent. This reflects the refugee inflow from Vietnam and Cambodia in the 1980s, a group who were likely less well educated than the usual immigrant accepted, and hence their offspring might not have had the opportunities to complete their education.

In conclusion, children of immigrants appear to adapt well to the British Columbia labour market. The only possible exception to this are the children of refugees who were welcomed to Canada for humanitarian reasons and who may require more time to “land on their feet”.