
Special Feature: Earnings of Recent Canadian Immigrants

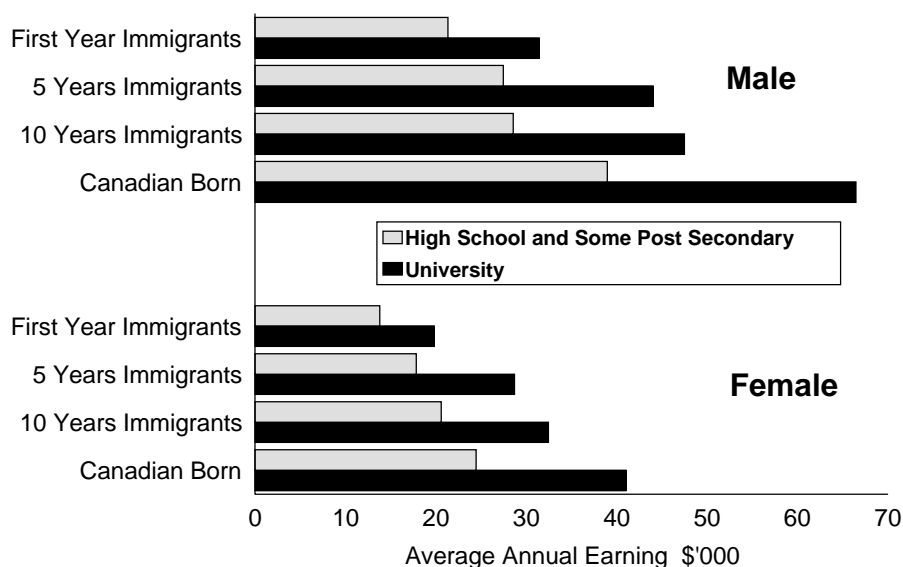
The 2001 Census data show that recent immigrants to Canada earned a significantly lower income than that of the Canadian born. According to Statistics Canada, immigrants aged 25 to 54 who arrived in Canada between 1990 and 2000 earned an average income of \$33,900 in year 2000. These earnings were about 25 per cent lower than the average amount earned by the Canadian born. However, the proportion of immigrants who earned less than \$20,000 was about the same as the proportion in the Canadian born population. In 1990, about 4 in every 10 immigrants or Canadian born persons earned less than that threshold.

In the past, immigrants tended to catch up or even exceed the income levels of the Canadian born after the immigrants had worked in Canada for a period of time. During the 1980's, immigrants who arrived in 1971 started out with an average annual income level about 30 per cent lower than that of the Canadian born, but in 10 years they were making more than the Canadian born. However, earnings of immigrants seemed to have been declining since the 1980's. In 1990, immigrants who had been in Canada for 10 years only reached about 90 per cent of the earnings of the Canadian born. In year 2000, the same comparison shows that immigrants only reached about 80 per cent of the earning levels of the Canadian born.

Immigrant Earnings as a percentage of Earnings of the Canadian Born						
Years in Canada	Male Immigrants			Female Immigrants		
	1980	1990	2000	1980	1990	2000
1 year	71.6%	63.4%	63.1%	64.7%	70.0%	60.5%
2 years	86.9%	73.3%	71.4%	79.3%	79.8%	68.4%
3 years	93.4%	77.0%	75.5%	84.4%	84.4%	71.7%
4 years	88.8%	77.1%	77.3%	87.8%	82.0%	74.3%
5 years	92.7%	78.5%	77.1%	91.7%	83.8%	77.4%
6 years	93.5%	81.5%	76.5%	94.9%	83.3%	77.8%
7 years	95.1%	84.5%	76.6%	97.9%	87.3%	76.8%
8 years	89.9%	97.5%	75.2%	96.3%	94.6%	80.2%
9 years	97.3%	97.2%	78.3%	103.1%	93.7%	82.2%
10 years	100.4%	90.1%	79.8%	103.1%	93.3%	87.3%

Education and language skills were highly associated with income performance of recent immigrants. Recent immigrants tended to have relatively higher education qualifications than did the Canadian born. The 2001 Census show that about 23 per cent of the Canadian born population aged 25 to 54 had a university degree, whereas 40 per cent of the 805,000 enumerated immigrants in the same age group who arrived during the 1990's reported having a university degree. Immigrants with university education tended to earn a higher income than that of immigrants without university education. Also, university-educated immigrants, having been in the country for 10 or more years, tended to earn more than the Canadian born population who had no university education. However, these settled immigrants tended to earn less than their university-educated Canadian born counterparts. In addition, the gap in earnings between these university-educated immigrants and Canadian born was narrower two decades ago. In 1990, earnings of male immigrants in this category were about 14 per cent below what their Canadian born counterparts earned, whereas in year 2000 the gap had widened to 29 per cent.

2000 Average Annual Earnings of Population Aged 25 to 54 Immigrants vs. Canadian Born



Prepared By: BC STATS Source: 2001 Census

A majority of the highly educated immigrants worked in high demand occupations that required high skills. However, there were many university-educated immigrants working in low skill jobs. In 2002, a large proportion of male immigrants was involved in occupations related to computer and information systems. Of the 176,495 enumerated male immigrants aged 25-54 who arrived in Canada between 1990 and 1999 and who had a university degree, about 34,000 (or 19.3%) had a job in 2001 working in the computer and information technology industries. On the other hand, a number of these university-educated immigrants were engaged in lower pay occupations such as restaurant managers/helpers, taxi or truck drivers, security guards and janitors/caretakers. Again, these university-educated immigrants earned less than their Canadian born counterparts in year 2000 in almost every occupation group reported in the Census.

Canadian official language ability of recent immigrants is believed to be another contributing factor for the earning differences between immigrants and the Canadian born population, as well as between immigrants themselves. Regardless of how long they had been in Canada, immigrants who had knowledge of at least one official language earned a significantly higher income than that of those who had none. However, immigrants who knew either English or French still earned less than their Canadian counterparts.

Earnings in Year 2000 - Immigrants vs. Canadian Born (Aged 25-54)

	Knowledge of at least one Official Language		No Knowledge of Official Language	
	Male	Female	Male	Female
Immigrants in Canada 1 yr	\$28,739	\$17,627	\$20,946	\$14,101
Immigrants in Canada 5 yr	\$35,301	\$22,677	\$22,071	\$14,369
Immigrants in Canada 10 yr	\$36,305	\$25,326	\$25,754	\$19,664
Canadian Born	\$45,002	\$28,745		