A TIEDI Analytical Report

Metropolis 2011

Immigration: Bringing the World to Canada

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Presented by John Shields

For the Toronto Immigrant Employment Data Initiative (TIEDI)

Immigrant Class, Gender and Country of Birth Labour Market and Employment Outcomes: Evaluating the Receptivity of the Canadian Labour Market

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- The Toronto Immigrant Employment Data Initiative (TIEDI) seeks to assist community organizations whose mandate includes the better integration of immigrants into Toronto's labour force. Such partner organizations include immigrant service agencies and advocacy groups, labour organizations, regulatory bodies, professional associations, training organizations, and credential assessment agencies.

- The purpose of the project is to provide organizations with free access to statistical data and analysis on various aspects of immigrant labour market integration. The goal is to help organizations access the quantitative data they need in order to: identify priorities, develop programs and services, compose proposals and reports, and carrying out advocacy and public education endeavours.

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- Our community partners define the data that they need - the project is thus driven by their agendas and not by academic research priorities. The datasets used by the project include a wide range of large-scale surveys such as the Longitudinal Survey of Immigrants to Canada and the Census (accessed through the RDCs).

- http://www.yorku.ca/tiedi

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- TIEDI is based at York University, with a team of academic researchers drawn from York, the University of Toronto, and Ryerson University. Core members of the project team also include representatives of the Ontario Council of Agencies Serving Immigrants (OCASI), the Toronto Region Immigrant Employment Council (TRIEC) and World Education Services.

- TIEDI is funded by the Knowledge Impact in Society program of Canada's Social Sciences and Humanities Research Council, and by York University.

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- **Dr. Philip Kelly** (York University) is the Principal Investigator for TIEDI.

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- Time period of economic analysis covered (2001-2005/06) was featured by:

1) economic growth;
2) strong employment gains;
3) but unemployment levels that remained relatively high; and
4)earning growth.

- Period where immigrants enjoyed overall favourable labour market conditions for job search (see table 1).

Table 1:
Economic Performance Indicators, Canada, 2001-2005

	2001	2002	2003	2004	2005	Overall average
Growth in Real GNP	1.8 %	2.9 %	1.9 %	3.1 %	3.1 %	2.6 %
Unemployment Rate	7.2 %	7.6 %	7.6 %	7.2 %	6.8 %	7.3 %

- "Do Immigrant Class and Gender Affect Labour Market Outcomes for Immigrants?" TIEDI Analytical Report #2

http://www.yorku.ca/tiedi/pubreports2.html

- data from the Longitudinal Survey of Immigrants to Canada (LSIC), Collected by Statistics Canada and Citizenship and Immigration Canada (due to sample size data reported for Canada)

Table 2:
Unemployment rate by Immigration Class,
6 months, 2 years and 4 years after landing in Canada, 2001-2005

	MEN					WOMEN				
	SKILLED IMMIGRANTS					SKILLED IMMIGRANTS				
	PRINCIPAL	SPOUSE	FAMILY CLASS	BUSINESS	REFUGEES	PRINCIPAL	SPOUSE	FAMILY CLASS	BUSINESS	REFUGEES
6 mths	27.2 %	34.5 %	18.4 %	43.6 %	24.1 %	25.5 %	24.7 %	26.5 %	25.7 %	19.3 %
2 years	18.7 %	24.3 %	13.9 %	17.3 %	18.6 %	18.6 %	19.7 %	31.0 %	23.7 %	29.5 %
4 years	11.4 %	9.7 %	14.4 %	14.6 %	16.5 %	16.5 %	11.1 %	21.2 %	21.2 %	27.8 %

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- For all analysis it is important to draw a distinction between male and female immigrants (very different outcomes)
- Male unemployment rates generally lower than women's (often considerably)
- At 6 months all immigrant classes have very high unemployment (generally > 25%)
- After 4 years, these rates declined significantly for most groups, with notable exceptions in the cases of females in the refugee, family and business classes.

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- Refugees tended to have the highest overall rates of unemployment with men at 16.5% and women at 27.8% after four years in Canada.
- Skilled immigrants stood at 11.4% and 16.5% for male and female principal immigrants respectively at the 4 year point.
- immigrants in all classes and at each time period experienced disproportionate levels of unemployment (average Can. 7.3%).

Table 3:
Average Months to 1st Job by Immigration Class, Canada

	MEN					WOMEN				
	SKILLED IMMIGRANTS					SKILLED IMMIGRANTS				
	PRINCIPAL	SPOUSE	FAMILY CLASS	BUSINESS	REFUGEES	PRINCIPAL	SPOUSE	FAMILY CLASS	BUSINESS	REFUGEES
4 years	3.5	5.7	2.4	6.0	8.8	4.2	9.0	6.5	8.3	17.1

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- Refugees took longer to get 1st job (8.8M male refugees & 17.1M female refugees).
- Overall, males took significantly less time to secure their first job than did females.
- quickest to first jobs were males in the family class (2.4 months), male skilled principal immigrants (3.5 months) and female skilled principal immigrants (4.2 months).
- Male family class may have benefited from role of family networks already in Canada.

Table 4:
Average Hourly Wage (2005 dollars) by Immigration Class, 6 months, 2 years and 4 years after landing in Canada, Canada

	MEN					WOMEN				
	SKILLED IMMIGRANTS					SKILLED IMMIGRANTS				
	PRINCIPAL	SPOUSE	FAMILY CLASS	BUSINESS	REFUGEES	PRINCIPAL	SPOUSE	FAMILY CLASS	BUSINESS	REFUGEES
6 mths	$ 18.96	$ 14.86	$ 12.72	$ 14.91	$ 11.00	$ 16.81	$ 12.79	$ 10.82	$ 12.87	$ 9.81
2 years	$ 18.81	$ 14.94	$ 11.86	$ 13.80	$ 10.43	$ 16.02	$ 12.50	$ 10.54	$ 11.62	$ 8.88
4 years	$ 21.43	$ 18.50	$ 13.51	$ 17.08	$ 12.03	$ 18.70	$ 14.36	$ 11.68	$ 12.69	$ 9.63

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- 2 and 4 year points - wage levels increased for all categories except in the case of female business class immigrants.
- At 4 Years skilled worker principal applicants received the highest wages ($21.43 for males and $18.70 for females). Followed by male spouses of skilled principal ($18.50) and male business class immigrants ($17.08).
- Lowest wages at the 4 years were female refugees ($9.63), female family class ($11.68) and male refugees ($12.03).
- Data indicate that there is a significant wage advantage in being a skilled worker principal applicant over all other categories.

Table 5:
Percentage of main job related to Training or Field of Study by Immigration Class, 2 years and 4 years after landing in Canada, Canada

	MEN					WOMEN				
	SKILLED IMMIGRANTS					SKILLED IMMIGRANTS				
	PRINCIPAL	SPOUSE	FAMILY CLASS	BUSINESS	REFUGEES	PRINCIPAL	SPOUSE	FAMILY CLASS	BUSINESS	REFUGEES
2 years	59.3 %	44.6 %	22.6 %	41.6 %	15.2 %	62.5 %	37.5 %	21.0 %	26.7 %	11.6 %
4 years	66.8 %	56.6 %	29.2 %	42.8 %	18.3 %	71.2 %	51.3 %	28.5 %	31.1 %	21.1 %

- Overall consistent, if only modest, improvements in the matching of newcomer skills training/education with their main job between the 2nd and 4th year of settlement.
- But important immigration class differences.
- Refugees least well matched (18.3% males 4th year, 21.1% females)
- Family class at 4 years point also fared poor (29.2% males & 28.5% females).

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- Skilled immigrant classes best matches (4th year 66.8% males & 71.2% females).
- But even among the skilled immigrant class the percentage of newcomers whose jobs matched their training/education background is rather modest.
- For other immigrant classes (family, business and refugee) after 4 years of landing, job and skill/education matches fall well below 50%.

- "How Do Gender and Country of Birth Affect Labour market Outcomes for Immigrants?", TIEDI Analytical paper #4: http://www.yorku.ca/tiedi/pubreports4.html

- 2006 Census, Toronto CMA

Figure 1: The Toronto CMA

Map from the Centre for Urban and Community Studies, University of Toronto, www.urbancentre.utoronto.ca

Table 6:
Distribution of respondents by country of birth and period of arrival, Toronto CMA, 2006

	ALL IMMIGRANTS**	1981-1990	1991-2000	2001-2006
1. INDIA	205, 345	30, 645	76, 335	64, 980
2. PR CHINA	177, 810	35, 825	72, 435	54, 750
3. PHILIPPINES	121, 570	24, 925	50, 015	26, 365
4. HONG KONG	100, 325	32, 555	45, 905	2, 640
5. JAMAICA	91, 515	21, 220	22, 435	6, 235
6. SRI LANKA	79, 925	16, 340	46, 425	15, 130
7. PAKISTAN	70, 830	4, 780	32, 475	27, 535
8. GUYANA	67, 135	21, 440	18, 425	5, 265
9. POLAND	66, 140	27, 595	19, 680	2, 980
10. IRAN	42, 805	9, 300	19, 560	12, 450

Table 7:
Average annual earnings (2005 dollars) for Canadian-born & immigrants
by period of immigration and gender, Toronto CMA

	CANADIAN-BORN	IMMIGRANT			
		ALL IMMIGRANTS **	1981-1990	1991-2000	2001-2006
Women	$ 18, 408.20	$ 16, 540.20	$ 22, 043.70	$ 15, 441.50	$ 8, 348.30
Men	$ 29, 851.80	$ 28, 037.30	$ 33, 745.10	$ 24, 728.30	$ 14, 737.30

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- On average, immigrant men and women have lower annual earnings than Canadian-born.
- But immigrant women have much lower average annual earnings than immigrant men ($16,540.20 vs $28,037.30; a $11,000 difference).
- The earning gaps between immigrant and Canadian-born within sex is about $2,000 in each case.

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- Average earnings increase the longer immigrants are in Canada.
- But some suggestion that more recent waves of immigrants are encountering great labour market difficulties.
- Immigrant men who came to Canada after 2000 earn $15,000 less than Canadian-born men; for women the difference was $10,000 less.

Table 8:
Average annual earnings (2005 dollars) for immigrants by period of immigration and top 10 countries of birth, Toronto CMA

** INCLUDES IMMIGRANTS WHO ARRIVED BEFORE AND AFTER 1981

	ALL IMMIGRANTS**	1981-1990	1991-2000	2001-2006
1. INDIA	$ 19, 557.20	$ 25, 378.00	$ 20, 925.40	$ 12, 344.50
2. PR CHINA	$ 15, 019.40	$ 16, 497.50	$ 16, 995.90	$ 10, 495.10
3. PHILIPPINES	$ 24, 023.90	$ 30, 013.80	$ 24, 707.70	$ 13, 677.70
4. HONG KONG	$ 26, 310.70	$ 30, 834.40	$ 18, 777.40	$ 9, 522.70
5. JAMAICA	$ 24, 184.50	$ 27, 185.70	$ 20, 208.40	$ 12, 942.00
6. SRI LANKA	$ 17, 519.70	$ 25, 636.50	$ 16, 693.30	$ 10, 547.20
7. PAKISTAN	$ 13, 346.60	$ 23, 284.10	$ 15, 212.30	$ 7, 298.40
8. GUYANA	$ 25, 590.70	$ 27, 426.70	$ 19, 937.10	$ 12, 666.40
9. POLAND	$ 24, 232.60	$ 29, 559.20	$ 21, 370.70	$ 13, 098.50
10. IRAN	$ 16, 838.50	$ 25, 347.10	$ 17, 230.70	$ 9, 159.90

- average Canadian-born earnings were $24,090.10, immigrants from approximately half of the top ten countries of birth approach that figure, while half fall below the Canadian-born annual earnings.
- Immigrants from Hong Kong ($26,310.70) and Guyana ($25,590.70) highest average annual earnings.
- Immigrants from Pakistan ($13,346.60) and China ($15,019.40) have the lowest average annual earnings.
- This is partly explained by year of arrival differences.

- The earnings trajectories of immigrants differ according to their country of birth.
- Ex., immigrants from Iran and Hong Kong who arrived in the 1980s have among the highest annual earnings, while recent immigrants from these countries of birth have some of the lowest earnings.
- Immigrants from Poland and the Philippines have relatively high earnings regardless of their period of arrival.
- Immigrants from Pakistan and China have low earnings across periods of immigration.

Table 9:
Unemployment and Participation Rate for Canadian-born & immigrants by period of immigration and gender, Toronto CMA, 2006

** INCLUDES IMMIGRANTS WHO ARRIVED BEFORE AND AFTER 1981

	FEMALE					MALE				
	CANADIAN-BORN	IMMIGRANT				CANADIAN-BORN	IMMIGRANT			
		ALL IMMIGRANTS**	1981-1990	1991-2000	2001-2006		ALL IMMIGRANTS**	1981-1990	1991-2000	2001-2006
UNEMPLOYMENT RATE	6.4 %	8.2 %	6.5 %	9.3 %	14.6 %	6.1 %	6.0 %	5.3 %	6.7 %	9.3 %
PARTICIPATION RATE	69.0 %	58.5 %	68.8 %	64.3 %	59.1 %	76.6 %	71.9 %	80.4 %	77.4 %	76.6 %

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- Canadian-born and immigrant men experience similar unemployment rates (6.1% vs 6.0%),
- But immigrant women have a higher unemployment (6.4 vs 8.2%) rate and a lower participation rate (58.5 vs 69%) than Canadian-born women.
- Recent immigrants face high unemployment rates, with female immigrants arriving after 2000 having the highest unemployment rate at 14.6% (8. 2% more than Can.-born women).

- The increased chance of unemployment is less pronounced for male immigrants (9.3% vs. 6.1% for Can.-born, a 3.2% difference).

- Compared with unemployment rates, the labour force participation rates for immigrant men and immigrant women do not differ much from those for the Canadian-born.

Table 10:
Unemployment and Participation Rate for immigrants by period of immigration and top 10 countries of birth, Toronto CMA

** INCLUDES IMMIGRANTS WHO ARRIVED BEFORE AND AFTER 1981

	UNEMPLOYMENT RATE				PARTICIPATION RATE			
	ALL IMMIGRANTS**	1981-1990	1991-2000	2001-2006	ALL IMMIGRANTS**	1981-1990	1991-2000	2001-2006
1. INDIA	8.2 %	5.4 %	7.5 %	11.7 %	70.3 %	70.3 %	72.5 %	71.7 %
2. PR CHINA	9.3 %	7.0 %	8.3 %	12.8 %	58.0 %	64.5 %	61.7 %	63.1 %
3. PHILIPPINES	5.4 %	4.0 %	5.1 %	8.0 %	76.0 %	78.8 %	78.0 %	77.3 %
4. HONG KONG	6.1 %	6.3 %	7.2 %	8.5 %	69.6 %	74.8 %	64.6 %	55.9 %
5. JAMAICA	6.9 %	6.2 %	8.9 %	11.2 %	72.9 %	80.5 %	76.9 %	78.5 %
6. SRI LANKA	9.2 %	6.8 %	9.5 %	12.5 %	67.0 %	76.1 %	66.4 %	59.1 %
7. PAKISTAN	10.9 %	6.7 %	10.6 %	13.8 %	63.6 %	64.4 %	67.7 %	58.1 %
8. GUYANA	7.0 %	6.6 %	8.5 %	14.4 %	71.2 %	74.3 %	71.3 %	73.8 %
9. POLAND	5.1 %	4.7 %	5.6 %	8.9 %	69.0 %	82.3 %	79.2 %	72.0 %
10. IRAN	10.2 %	7.0 %	9.7 %	14.9 %	69.0 %	73.1 %	71.6 %	61.8 %

- Except for immigrants from the Philippines, Hong Kong and Poland, immigrants from other countries of birth have unemployment rates higher than those of the Canadian-born (6.2% at the time of the Census).

- Unemployment is highest among immigrants from Pakistan (10.9%) and Iran (10.2%).

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- Unemployment rate are consistently higher for immigrants who arrived recently (after 2000).
- Among recent immigrants, those from Iran (14.9%), Pakistan (13.8%), and Guyana (14.4%) have the highest unemployment rates (more than double those for the Canadian-born).
- Recent immigrants from the Philippines and Hong Kong have the lowest unemployment rates - 8.0% and 8.5%.

- Generally the participation rate for immigrants falls below that of the Canadian-born rate (72.7%).

- Labour force participation is lowest for immigrants from China (58.0%) and Pakistan (63.6%), and highest for immigrants from the Philippines (76.0%) and Jamaica (72.9%).

- The labour force participation rates for immigrants from most countries of birth are closer to the participation rate of the Canadian-born, especially when contrasted with unemployment rate differences.

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Overall Conclusions: Labour Market Receptivity

- Gender central to labour market outcomes;
- Gender effects generally negative for women;
- Immigrant class also key; best outcomes economic class;
- Even after 4 years newcomers face significant labour market obstacles;

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- Immigrant men and women have lower earning than Canadian-born;
- Immigrant annual earnings vary among countries of birth;
- Average earnings increase the longer immigrants have been in Canada;

- Differences in labour market outcomes between immigrant men and women are clear and pronounced. Immigrant women have much lower average annual earnings than immigrant men.