



Quebec Metropolis Centre Immigration and Metropolis

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RESEARCH CAPSULE

Demographic, economic and linguistic aspects of immigration – Phase II

ECONOMIC INTEGRATION OF IMMIGRANTS: A PROCESS THAT CHANGES OVER TIME

Keywords: Economic integration, discrimination, immigrants

SUMMARY

Two studies based on econometric analyses have brought out the connections between the characteristics of immigrants and their economic integration. The first uses data from a longitudinal survey of the settlement of a cohort of 1,000 immigrants to Quebec in 1989 (ÉNI), and provides an analysis of discrimination in the job market based on differences in individual characteristics and employment discrimination, and on how such forms of discrimination evolve over time. The second uses 1996 and 2001 census data to analyse income gaps between immigrants and non-immigrants in the elderly population in Canada.

The study of the employment history of immigrants in the ÉNI survey begins with an analysis of the factors that affect the economic integration of newcomers and then assesses the adaptation process for various immigrant groups during their first 10 years in Quebec. Using econometric estimates, a researcher analysed all the factors that affect the probability of holding a job, and the employment income of immigrants. He then highlighted economic discrimination encountered in the job market. This was defined in terms first of the different probabilities of being employed, and second of the differences in employment income of the various immigrant groups.

The study of income differences among the elderly in Canada shows, in essence, that immigrants earn less

than native-born Canadians and that that discrimination contributes significantly to the widening economic gap between the two groups.

HIGHLIGHTS

Differences by sex and class of immigrant

Women are at a relative disadvantage in the job market in Quebec, in terms of both access to employment, and earnings. The differences between men and women seem to result essentially from discrimination in the job market and from some other intangible factors.

After 10 years in Quebec, the income gap between the two sexes narrows, whereas the difference in the probability of access to employment persists, and the portion attributable to discrimination in various forms takes on growing importance over time.

Moreover, the effect of human capital is observed as being significant with respect to women's earnings over time but remains weak with respect to women's integration into the job market. These findings suggest that immigrant women require a transition phase before their job skills are assessed at their true value, and that action is needed to eliminate the employment barriers they face.

With regard to differences between classes of immigrants, business immigrants and skilled workers have a

significant advantage in the job market owing to their better qualifications. The differences between them and other immigrants stem both from individual characteristics and from discrimination in the initial post-arrival phase. However, the findings do show a trend toward a reduction in these differences over time, in terms of both employment access and earnings.

The situation of elderly immigrant women

Elderly women immigrants, like female immigrants generally in the work force, are at a disadvantage in terms of financial resources, measured in this case by average annual income.

Despite a narrowing of the gaps between 1995 and 2000, elderly immigrants derive less benefit from the social security system because of their lower rates of contribution while working. Consequently, they have to resort to the job market to secure a stable income to help support themselves.

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ON-LINE PUBLICATIONS

ZHU, Nong (2005). "Différences selon le sexe et la catégorie d'immigration dans le cheminement en emploi d'une cohorte d'immigrants au Québec" [differences by sex and class of immigrant in the employment history of a cohort of immigrants to Quebec].

http://im.metropolis.net/research-policy/research_content/bilans_02_05/Zhu20050217.pdf

ABOUBACAR, Said et ZHU, Nong (2005). "Immigration et écart de revenu entre personnes âgées au Canada : tendance et sources" [immigration and income differences among the elderly in Canada: trend and sources].

http://im.metropolis.net/research-policy/research_content/bilans_02_05/Zhu20050527.pdf

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Project partners

- Ministère de l'Immigration et des Communautés culturelles du Québec
- Statistics Canada

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- Quebec Metropolis Centre – Immigration and Metropolis

To find out more about this study, contact the research team. Visit the Domain 2 section of the Immigration and Metropolis Web site for their contact information.

Analysis of the income gaps shows that a significant portion of them is attributable neither to demographic variables, nor to human capital variables. The researcher concludes that the unexplained portion represents the effect of other institutional factors that were not measured, including discrimination. Comparison between 1996 and 2001 suggests that the influence of these institutional factors on income differences between immigrants and native-born Canadians has intensified. Greater Montreal is still particularly affected by the impact of discrimination, as compared with Toronto and Vancouver.

CONTRIBUTION TO POLICY DEVELOPMENT

Because of economic fluctuations and the special characteristics of immigrants, there is a segmentation of the job market. Some groups – women, less-skilled workers, refugees and so on – are often at a relative disadvantage. This research provides answers to a number of priority questions in Domain I having to do with promoting the social integration of immigrants through equitable and efficient economic integration.

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