

January 2010

HOW DO GENDER AND COUNTRY OF BIRTH AFFECT LABOUR MARKET OUTCOMES FOR IMMIGRANTS?

By

Valerie Preston, Nina Damsbaek, Philip Kelly, Maryse Lemoine Lucia Lo, John Shields, Steven Tufts

Inside this report: KEY POINTS: • Immigrant men and women have lower annual earnings Introduction to TIEDI 2 than their Canadian-born counterparts. Research question 3 Background • Average earnings increase the longer immigrants have been in Canada. There is a large gap in annual income 5 The Data increases with more recent periods of immigration, for both 7 Results sexes and for most countries of origin. 12 Conclusions 13 · Immigrant annual earnings vary among countries of Appendix origin. Immigrants from Hong Kong and Guyana have the Bibliography 14 highest earnings among immigrants; immigrants from Further reading 15 Pakistan and China have the lowest annual earnings among immigrants. • Immigrant men and women have higher unemployment rates than Canadian-born men and women. Unemployment rates tend to increase with more recent periods of immigration; the participation rate remains stable across periods of immigration. The unemployment and participation rates for: immigrants vary by country of birth.



INTRODUCTION TO TIEDI

The Toronto Immigrant Employment Data Initiative (TIEDI) seeks to assist 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.

TIEDI provides a unique service in which community organizations' data needs are met by a team of academic researchers and student analysts. Our partners define the data that they need - the project is thus driven by their agendas and not by academic research priorities.

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. The project is funded by the Social Sciences and Humanities Research Council of Canada under its Knowledge Impact in Society program, and by York University.

The datasets used by the project include a range of large-scale surveys such as the Census, the Longitudinal Survey of Immigrants to Canada, the Ethnic Diversity Survey, the Workplace and Employee Survey, the Survey of Labour and Income Dynamics, the Labour Force Survey and the Permanent Residents Data System.

TIEDI Analytical Reports provide tabulations of data, some brief analysis and contextualization, and some necessary caveats about the limitations of the data and analysis. Since the data presented have not been treated to detailed statistical analysis, any conclusions must be seen as preliminary and as starting points for further, more detailed, research.

For further information, contact the TIEDI Principal Investigator, Dr Philip Kelly (pfkelly@yorku.ca), or the TIEDI Project Coordinator, Maryse Lemoine (mlemoine@yorku.ca).

While the research and analysis are based on data from Statistics Canada, the opinions expressed do not represent the views of Statistics Canada.



RESEARCH QUESTION

What is the labour market performance, in terms of participation rate, unemployment rate, and earnings for immigrants by country of birth and gender?

BACKGROUND

Immigrant workers perform worse than native-born workers in many countries (Aslund and Rooth, 2003). Their labour market performance and outcomes also differ significantly by gender and country of birth (Adsera and Chiswick, 2007).

A recent Canadian study found that immigrants from the source regions with the largest increase in the share of the immigrant population – namely Africa, and South, East, and West Asia – "also experienced the most rapid increase in low-income rates" (Picot, Hou and Coulombe, 2007: 10). The reasons for the effects of source region are not well understood. Characteristics associated with source region such as language, education, and age "accounted for less than half of the overall rise in the low-income rate" (Picot, Hou and Coulombe, 2007: 10). A study based on qualitative and survey-based data by Kelly et al. (2009) found a variety of origin-specific processes that lead to labour market marginalization among Filipino immigrants in Toronto - these included the profile of immigration programs used, the understanding of educational and training standards in a specific country of birth, and distinctive processes of racialization and discrimination faced by particular ethno-racial groups.

The variations in economic outcomes are not limited to Canada. Research on immigrants in Western Europe found that immigrants "earn around 40% less at arrival than native-born (...) with the earnings differential greater for those born outside the EU than for immigrants born in other EU countries". The same analysis indicated that the differences vary across origins and by gender: "Asian, Latin American, and Eastern European men have the lowest earnings" and "Latin American and Eastern European women are at the bottom of the women's distribution" (Adsera and Chiswick, 2007: 519). A study of immigrants in the Israeli labour market reaches a similar conclusion: "immigrant women from the less developed countries in Asia and Africa constitute the most disadvantaged group" (Raijman and Semyonov, 1997).

Through a comparison of wages for native-born men and women, Australian research indicates that "considerably greater rewards are given to [Australian] formal qualifications compared to those accruing to overseas qualifications". Australian postsecondary degrees are 15-20% "more valuable than degrees obtained overseas", so immigrants with foreign degrees receive lower income benefits (Chapman and Iredale, 1993: 380). Similar work from the United States confirms that "immigrants have been found to earn lower returns to schooling than natives" (Lofstrom, 2000: 20).

Skilled immigrants may face unemployment or unsatisfactory labour market outcomes because "their English is not up to standard, they lack suitable training, [etc]."But it is also the case that employers "who are uncertain about what immigrants know, may not recognize [their] human capital" (Salaff and Greve, 2003: 3). Essentially, employers may ignore immigrant experience and "relegate [immigrants] to entry level positions". This is possible because immigrants are left with few other



choices (Salaff and Greve, 2006: 17). It has been suggested that "overall, career experiences in China are not recognized in Canada" and that female immigrants "have attained considerably lower status jobs than men" even when taking their relative credentials and experience into consideration (Salaff and Greve, 2003: 21).

The lack of recognition of foreign credentials and work experiences is a serious problem for many immigrants settling in Canada (Alboim, Finnie and Meng, 2005; Hum and Simpson, 2000; Reitz, 2001; Man, 2004). In the Canadian context, Reitz (2001) suggests that the gaps in income may result from lower immigrant skill qualifications, the underutilization of immigrant skills, and pay inequities. Using data from the 1996 Census, he found that the underutilization of immigrant skills was the most significant factor (Reitz, 2001).

On average, highly skilled immigrant men in Canada coming from outside Europe "earn anywhere between 15 and 25% less" than those of European origin. The difference in earnings between nativeborn and immigrants is greatest for men shortly after their arrival. The earnings gap is different for women because female immigrants "exist in the context of the lower overall earnings of women and [the difference] are much less than the group differences for men" (Reitz, 2001: 367). For Canadianborn women, there is "an earnings premium of 12-14 per cent" – a much greater differential than for men (Beach and Worswick, 1993: 43). The same paper concluded that "a double-negative effect on earnings" occurs for many immigrant women, especially for highly educated women (Beach and Worswick, 1993: 36). The initial earnings gap "changes very little over the [female] worker's career" and women persistently "have lower earnings than native-born women, that is additional to conventional findings of male-female earnings differentials" (Beach and Worswick, 1993: 46).

The double disadvantage of immigrant women is evident with regard to labour force participation. In a study of immigrants in the Israeli labour market, it was concluded that "immigrant women are characterized by higher rates of labour force participation than other women, (...) economically active immigrant women face greater hardships in the labour market when compared with immigrant men (...) [and] socioeconomic disadvantages of immigrant women are likely to differ by country of origin" (Raijman and Semyonov, 1997: 109). Moreover, male and female recent immigrants – regardless of ethnicity – "experience decline in labour force participation". However, it remains that women experience "much greater loss than men in the process of transition from one labour market to another" (Raijman and Semyonov, 1997: 120).

The primary rationales offered for this double disadvantage are that immigrant women are part of a "tighter" labour market – that is, there are many women in "a small number of female-dominated and traditionally female occupations" – and that women "tend to compromise [their employment] for employment close to home to avoid conflict with traditional family roles" (Raijman and Semyonov, 1997: 120). As such, "immigrant women, more often than men, end up taking lower-status jobs when joining the labour market" and are "less likely to remain employed" than men (Raijman and Semyonov, 1997: 121).

Numerous studies have found that immigrant women have higher unemployment rates than Canadian-born women (Badets and Howatson-Leo, 1999; Salaff, 2003; Tastsoglou and Preston, 2007). For example, many Chinese women became so "exasperated with their job search that they gave up the idea of entering the labour force altogether" (Man, 2004: 141). This may be due to "gendered and racialized institutional processes in the form of state policies and practices,



professional accreditation systems, employers' requirement for 'Canadian experience' and labour market conditions' that work to marginalize immigrant women (Man, 2004: 135).

Other scholars also agree that racist and sexist processes – discrimination – in the labour market afflict immigrant women (Li, 2000). The labour market performance of many immigrant women is "marred by difficulties" despite their education and skills, including the reality that "few immigrant women have been able to enter the highly coveted managerial and professional occupations" (Man, 2004: 141).

THE DATA: 2006 CENSUS

The census collects information on the total number of persons who once were, or are now, landed immigrants or permanent residents. This population is also referred to as "persons born outside Canada", or "foreign-born population". The 2006 Census enumerated 6,186,950 individuals who were born outside of Canada. They represented one in five (19.8%) of the total population. This is the highest proportion of foreign-born population in 75 years. A majority of the 1.1 million recent immigrants lived in Toronto, Montréal and Vancouver. In the 2006 Census, 80% of households received a short questionnaire containing eight questions, while 20% were given a 61-question long form. The majority of the questions used to gather the data presented in this report were asked in the long census questionnaire (results therefore involve the extrapolation of data from a 20% sample) (Statistics Canada, 2007).

The 2006 Census was conducted in May-July of that year. The time period leading up to the Census was marked by economic growth, strong employment gains, and earnings growth in Canada (Lin, 2008: 5). Prevailing economic conditions (see table 1 for basic economic data) and government policies may affect the trajectories of respondents and thus conclusions derived from census data must be viewed as time-specific.

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 %

Source: Maslove, 2008: 228

Spatial variations also affect labour market outcomes for immigrants, as labour markets and economic conditions are geographically uneven (Hiebert, 1999; Badets and Howatson-Leo, 1999; Preston and Cox, 1999). The data used in this report are for the Toronto Census Metropolitan Area (CMA). Table 2 shows the distribution of respondents by gender and period of immigration in the Toronto CMA.



Table 2: Distribution of respondents by gender and period of arrival, Toronto CMA, 2006

	FEMALE						MALE			
	CANADIAN-		IMMIGR	ANT		CANADIAN-	· •			
	BORN	ALL IMMIGRANTS	1981-1990	1991-2000	2001-2006	BORN	ALL IMMIGRANTS	1981-1990	1991-2000	2001-2006
N	953, 730	1, 153, 545	210, 475	355, 745	194, 165	912, 315	1, 036, 555	194, 865	318, 785	169, 365

Table 3 shows the distribution of respondents by country of birth and period of arrival. These countries are among the top 10 countries of birth for immigrants in Toronto. Seven were in the top 10 countries in 2006 and three, Hong Kong, Poland and Guyana, are included for historical reasons.

Table 3: 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

Immigrants: Refers to people who are, or have been, landed immigrants in Canada. A landed immigrant is a person who has been granted the right to live in Canada permanently by immigration authorities. Some immigrants have resided in Canada for a number of years, while others have arrived recently. Most immigrants are born outside Canada, but a small number were born in Canada. Non-permanent residents (i.e. visa holders, refugee claimants and their family) were excluded from this category.

Average annual earnings: Average annual earnings refer to the mean gross wages and salaries before deductions for such items as income tax, pensions, employment insurance, etc. Included in this source are military pay and allowances, tips, commissions and cash bonuses, benefits from wageloss replacement plans, taxable benefits, research grants and royalties, as well as all types of casual earnings in the 2005 calendar year.



Toronto CMA: CMA stands for Census Metropolitan Area. CMAs are geographical areas mainly used by Statistics Canada. For more information, see: http://www12.statcan.ca/ english/census06/reference/ dictionary/ geo009.cfm. The Toronto CMA is the greyshaded area in figure 1. It includes the City of Toronto, York Region, Peel Region and parts of Durham Regions. Halton and Other municipalities, such as New Tecumseth in southern Simcoe County and Mono Township in Dufferin County are also included in the Toronto CMA.



Map prepared by City of Toronto

RESULTS

a) Average annual earnings for immigrants and Canadian-born

Table 4 shows the average annual earnings of the Canadian-born and immigrant men and women in 2005.

Table 4: Average annual earnings (2005 dollars) for Canadian-born & immigrants by period of immigration and gender, Toronto CMA

	CANADIAN-						
	BORN	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		

^{**} Includes immigrants who arrived before and after 1981

On average, immigrant men and women have lower annual earnings than Canadian-born. However, immigrant women have much lower average annual earnings than immigrant men, who earn \$28,037.30 compared with only \$16,540.20 for immigrant women. This is an earnings gap of more than \$11,000.

Canadian-born men earn \$29,851.80, while immigrant men earn slightly less with average annual earnings of \$28,037.30. The earnings gap between Canadian-born men and immigrant men is thus approximately \$2,000.

The scenario is similar for Canadian-born and immigrant women. Canadian-born women earn \$18,408.20, while female immigrants earn slightly less with average annual earnings of \$16,540.20, resulting in an earnings gap of approximately \$2,000.



Average earnings increase the longer immigrants have been in Canada. The "years-since-immigration-effect" suggests that immigrants "start at a significant disadvantage relative to [Canadian-born] when they enter the country, but then catch up over time" (Alboim, Finnie and Meng, 2005: 3).

When considering more recent periods of immigration, the gap in annual earnings between the Canadian-born and immigrants increases. The average earnings of immigrants who came to Canada in the 1980s actually exceed those of the Canadian-born by approximately \$3,500 - \$4,000 for both men and women. (It is important to note, however, that the cohort of immigrants from the 1980s is, on average, older than the Canadian-born comparison group, and so we would expect to see further advancement in the labour market). Immigrant men who came to Canada after 2000 earn \$15,000 less than Canadian-born men. Recently arrived immigrant women, who came to Canada after 2000, earn \$10,000 less than Canadian-born women.

b) Average annual earnings by place of birth for immigrants

Table 5 presents the 2005 average annual earnings of immigrants by country of birth and by immigration period.

Table5: Average annual earnings (2005 dollars) for immigrants by period of immigration and top 10 countries of birth, Toronto CMA

	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

^{**} Includes immigrants who arrived before and after 1981

Immigrant annual earnings vary according to their country of birth. Remembering that the 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) have the highest average annual earnings among immigrants in the Toronto labour market. Immigrants from Pakistan (\$13,346.60) and China (\$15,019.40) have the lowest average annual earnings among immigrants from major source countries. The differences in earnings may be explained in part by differences in periods of arrival. While immigrants from Hong Kong and Guyana have high average earnings, 63.0% of



immigrants from Guyana and 50.2% of immigrants from Hong Kong living in Toronto arrived before 1991. On the other hand, only 26.5% of immigrants from China and 12.6% of immigrants from Pakistan arrived before 1991. Immigrants from Guyana and Hong Kong benefit from the "years-since-immigration-effect" described earlier.

The earnings trajectories of immigrants differ according to their country of birth. 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, while immigrants from Pakistan and China have low earnings across periods of immigration.

Among immigrants who arrived in the 1980s, those from Hong Kong (\$30,834.40) and the Philippines (\$30,013.80) report the highest annual earnings. The lowest earnings are reported by those from China (\$16,497.50) and Pakistan (\$23,284.10). Among recent immigrants who arrived after 2000, those from the Philippines (\$13,677.70) and Poland (\$13,098.50) have the highest annual earnings and the lowest earnings are reported by those from Pakistan (\$7,298.40) and Iran (\$9,159.90).

The earnings gaps between Canadian-born and immigrants continue to widen. For example, among immigrants who arrived in the 1990s, the largest earnings gaps are \$7,094.10 and \$8,877.70 for immigrants from China and Pakistan, respectively. The disparity has increased to \$16,791.60 and \$14,930.10 for recent immigrants who arrived after 2000 from Pakistan and Iran. During these periods, the average annual earnings for immigrants never exceed the average earnings of the Canadian-born.

c) Unemployment and participation rates for immigrants and Canadian-born

Table 6 shows the labour force participation rates (i.e. those working or looking for work) and unemployment rates (i.e. the percentage of those participating in the labour force who are unable to find work) for Canadian-born and immigrants who arrived in different periods.

Table 6: Unemployment and Participation Rate for Canadian-born & immigrants by period of immigration and gender, Toronto CMA, 2006

	FEMALE				MALE					
	CANADIAN-	N- IMMIGRANT			CANADIAN- IMMIGRANT					
	BORN	ALL IMMIGRANTS**	1981- 1990	1991- 2000	2001- 2006	BORN	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 %

^{**} Includes immigrants who arrived before and after 1981

Canadian-born and immigrant men experience similar unemployment rates (6.1% and 6.0% respectively), but immigrant women have a higher unemployment rate and a lower participation rate than Canadian-born women. The unemployment rate for Canadian-born women is 6.4%, but 8.2%



for immigrant women. Labour force participation also differs between immigrant and Canadian-born women. The participation rate for immigrant women (58.5%) is lower than that for Canadian-born women (69.0%)

Compared with their male counterparts, immigrant women also have marginally higher unemployment rates (by 2.2 percentage points) and lower participation rates (by 13.4 percentage points).

Recent immigrants face high unemployment rates, with female immigrants arriving after 2000 having the highest unemployment rate at 14.6%. Compared with Canadian-born women, the unemployment rate for recent female immigrants is 8.2 percentage points higher. The increased chance of unemployment is less pronounced for male immigrants; there is a difference of 3.2 percentage points between the unemployment rates for recent immigrant men and Canadian-born men (9.3% vs. 6.1%, respectively).

Compared with unemployment rates, the labour force participation rates for immigrant men and immigrant women do not differ much from those for Canadian-born men and women. For women who arrived in each decade, the labour force participation rate is within 0.2-9.9 percentage points of the rate for Canadian-born women. For immigrant men, the equivalent labour force participation rates are within 0.0-3.8 percentage points of those for Canadian-born men.

d) Unemployment and participation rate by place of birth for immigrants

Table 7 explores the labour force participation rates and unemployment rates for immigrants from various countries of birth and periods of arrival. The trends underscore the complex effects of country of birth that warrant more investigation.



Table 7: Unemployment and Participation Rate for immigrants by period of immigration and top 10 countries of birth, Toronto CMA

	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 %	

^{**} Includes immigrants who arrived before and after 1981

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%).

The unemployment rate is 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. The rates of unemployment for recent immigrants from these countries of birth are 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%, respectively.

Turning to labour force participation rates, more often than not 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%). Compared with the relatively large disparities in unemployment rates, the labour force participation rates for immigrants from most countries of birth are closer to the participation rate of the Canadian-born. Labour force participation tends to be lower for immigrants. The differences are however slight and in a few instances immigrants have a higher participation rate than Canadian-born.

The effects of period of arrival on labour force participation depend on country of birth. Labour force participation increases between recent and earlier cohorts for immigrants from Hong Kong, Sri Lanka, Pakistan, Iran, and Poland. For the other countries of birth, labour force participation rates do not vary much by period of arrival.



CONCLUSIONS

Clearly only tentative conclusions can be reached from the data compiled in this report. In part this is because country of birth and gender are only two of many factors that might contribute to labour market outcomes. In addition, the measures of labour market outcomes used here (income, participation and unemployment) do not reveal much about other dimensions of job quality, such as 'fit' with skills and training, part-time versus full-time status, and job security versus precariousness.

In terms of the specific labour market outcomes that we examined, the following conclusions emerge:

- Immigrant men and women have higher unemployment rates than Canadian-born men and women:
- On average, immigrant men and women in Toronto have lower annual earnings than Canadian-born:
- The unemployment and participation rates for immigrants vary by countries of birth;
- Immigrant annual earnings also vary among countries of birth. Immigrants from Hong Kong and Guyana have the highest earnings among immigrants; immigrants from Pakistan and China have the lowest annual earnings among immigrants;
- Average earnings increase the longer immigrants have been in Canada. There is a large gap in annual earnings between more recent immigrants in Toronto and the Canadian-born, for both sexes and for most countries of birth;
- 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.
- Canadian-born and immigrant men experience similar unemployment rates but immigrant women have a higher unemployment rate and lower participation rate than Canadian-born women. Compared with their male counterparts, immigrant women also have marginally higher unemployment rates and lower participation rates;
- Unemployment rates tend to increase with more recent periods of immigration; participation rates remain stable across periods of immigration.



APPENDIX

RELEVANT QUESTIONS FROM THE CENSUS QUESTIONNAIRE:

- 1. 2 Sex
- 2. 3 Date of birth
- 3. 9 -Where was this person born?
- 4. 12 In what year did this person first become a landed immigrant?
- 5. 34 Last week, how many hours did this person spend working for pay or in self-employment?
- 6. 35 Last week, was this person on temporary lay-off or absent from his/her job or business?
- 7. 36 Last week, did this person have definite arrangements to start a new job within the next four weeks?
- 8. 37 Did this person look for paid work during the past four weeks?
- 9. 38 Could this person have started a job last week had one been available?
- 10. 52 (a) During the year ending December 31, 2005, did this person receive any income from the sources listed below... Total wages and salaries, including commissions, bonuses, tips, taxable benefits, research grants royalties, etc., before any deductions

Questionnaire: http://www12.statcan.ca/census-recensement/2006/ref/question-guide-eng.cfm



BIBLIOGRAPHY

Adsera, Alicia and Barry R. Chiswick. "Are there gender and country of origin differences in immigrant labour market outcomes across European destinations?" *Journal of Population Economics*, 20 495–526 (2007)

Alboim, Naomi, Ross Finnie and Ronald Meng. "The Discounting of Immigrants' Skills in Canada: Evidence and Policy Recommendations." IRPP Choices, 11:2 (2005)

Aslund, Olof & Dan-Olof Rooth. "Do when and where matter? Initial labour market conditions and immigrant earnings." Institute for Labour Market Policy Evaluation (IFAU) Working Paper, 7 (2003)

Badets, J. and L. Howatson-Leo. "Recent Immigrants in the Workforce." *Canadian Social Trends*, 16-22 (1999)

Beach, Charles M. and Christopher Worswick. "Is There a Double-Negative Effect on the Earnings of Immigrant Women?" *Canadian Public Policy*, 19: 1 36-53 (1993)

Borjas, George J. "The Economics of Immigration." *Economic Literature*, 32:4, 1667-1717 (1994)

Chapman, Bruce J. and Robyn R. Iredale. "Immigrant Qualifications: Recognition and Relative Wage Outcomes." *International Migration Review*, 27: 2 359-387 (1993)

Hum, Derek and Wayne Simpson. "Closing the wage gap: Economic assimilation of Canadian immigrants reconsidered." *Journal of International Migration and Integration*, 1:4 (2000)

Kelly, Philip F., Mila Astorga-Garcia, Enrico F. Esguerra, and the Community Alliance for Social Justice, Toronto. (2009) Explaining the Deprofessionalized Filipino: Why Filipino Immigrants Get Low-Paying Jobs in Toronto. *CERIS Working Paper Series*. No. 75. October 2009.

Li, Peter S. "Earnings disparities between immigrants and native-born Canadians." *Canadian Review of Sociology and Anthropology*, 37:3 289–312 (2000)

Lin, Jane. 2008. "Trends in employment and wages, 2002 to 2007", *Perspectives on Labour and Income*, September, pp. 5-15.

Lofstrom, Magnus. "Self-Employment and Earnings among High-Skilled Immigrants in the United States." Institute for the Study of Labour (IZA), Mobility and Flexibility of Labour Markets. Discussion Paper No. 175, (2000)

Man, Guida. "Gender, work and migration: Deskilling Chinese immigrant women in Canada." *Women's Studies International* 135–148 (2004)

Maslove, Allan M. ed. 2008. "Appendix B Fiscal Facts and Trends". *How Ottawa Spends*, 2008-2009 A More Orderly Federalism? (Montreal: McGill-Queen's University Press), pp. 211-228.



Picot, Garnett, Feng Hou & Simon Coulombe. "Chronic Low Income and Low-income Dynamics Among Recent Immigrants." Statistics Canada. Canadian Labour Market and Skills Researcher Network. Working Paper Number: 26, (2007)

Preston, Valerie and Joseph C. Cox. "Immigrants and Employment: A Comparison of Montreal and Toronto between 1981 and 1996." *Canadian Journal of Regional Science*, 12:1, 87-111 (1999)

Raijman, Rebeca and Moshe Semyonov. "Gender, Ethnicity, and Immigration: Double Disadvantage and Triple Disadvantage among Recent Immigrant Women in the Israeli Labour Market." *Gender and Society*, 11: 1 108-125 (1997)

Reitz, Jeffrey G. "Immigrant Skill Utilization in the Canadian Labour Market: Implications of Human Capital Research." *Journal of International Migration and Integration* 2:3, 347-378 (2001)

Salaff, Janet and Arnet Greve. "Gendered Structural Barriers to Job Attainment for Skilled Chinese Emigrants in Canada." *International Journal of Population Geography*, 9: 443-456 (2003)

Salaff, Janet and Arent Greve. "Why do Skilled Women and Men Emigrating from China to Canada Get Bad Jobs?" in Women, Migration, and Citizenship: Making Local, national and international connections. Evangelia Tastsoglou and Alexandra Zorianna Dobrowolsky (Eds). Aldershot: Ashgate Publishing (2006)

Statistics Canada. 2007. "Census of Population." September 21, 2009. http://www.statcan.gc.ca/cgibin/imdb/p2SV.pl?Function=getSurvey&SDDS=3901&lang=en&db=imdb&adm=8&dis=2>

Tastsoglou, Evangelina and Valerie Preston. "Gender, Immigration and Employment Integration: Where We Are and What We Still Need to Know" Emigration. Economic Implications, T.R. Shastri (Eds.) Hyderabad, India: The Icfai University Press, (2007)

FURTHER READING

For 2006 Census data on place of birth, see

 $\frac{http://www12.statcan.gc.ca/english/census06/data/topics/ListProducts.cfm?Temporal=2006\&APAT}{H=3\&THEME=72\&FREE=0\&SUB=723\&GRP=1}$