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WHAT ARE THE LABOUR MARKET OUTCOMES FOR IMMIGRANTS PLANNING TO WORK IN REGULATED AND UNREGULATED OCCUPATIONS

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KEY POINTS:

- After 4 years in Canada, immigrant men and women planning to work in regulated occupations were more likely to have found employment related to their training or field of study than other immigrants (although such employment may not necessarily be in a regulated profession).
- Gender and whether immigrants plan to work in regulated occupations affect hourly wage. Immigrant men and immigrants planning to work in regulated occupations had higher hourly wages after 4 years in Canada than other groups.
- Immigrant women were more likely to have lower participation rate, lower full-time status, take more time to find their first job, experience longer jobless spells, and have lower hourly wages than immigrant men, regardless of whether they were planning to work in regulated or unregulated occupations.

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, full-time employment, hourly wage, annual income, days of jobless spells, and appropriateness of work for immigrants planning to work in regulated and unregulated occupations?

BACKGROUND

Access to regulated occupations (including engineering, teaching, health and legal fields, as well as some specialized trades) is restricted under provincial regulations. The need for accreditation creates major barriers to the full utilization of immigrants' skills (Boyd and Schellenberg, 2007). In order to obtain accreditation, immigrants must pass examinations, have relevant work experience in Canada and show that they have a good command of English or French (Boyd, 2000). While it is possible to find work in regulated occupations without going through accreditation, many Canadian employers prefer to hire candidates with Canadian education or immigrants who have passed the accreditation process. In the case of engineers, employers view Canadian engineering schools as more advanced than non-Canadian schools and are often unfamiliar with international credentials. Employers, wanting to hire candidates who understand the 'culture of practice' in the engineering profession, assume that "Canadian job applicants are familiar with the practices and behaviours that exist in the workplace." When considering immigrant candidates, they will often require accreditation as a proof that the candidate can navigate the profession (Girard and Bauder, 2007: 50).

These obstacles result in foreign trained immigrants facing more difficulties integrating into the Canadian labour market. Indeed, Boyd and Thomas (2001) found that engineers who had immigrated at age 28 or later (and who would have received their education abroad), were less likely to be employed and were less likely to hold employment in managerial or engineering occupations than Canadian-born and immigrants with a Canadian education. Moreover, 33% of internationally trained doctors and 35% of internationally trained engineers worked in unrelated occupations in 2001 (Boyd and Schellenberg, 2007). Recent immigrants fared worse, but the situation improved for immigrants who had been in Canada for more than 10 years (Boyd and Thomas, 2001; Boyd and Schellenberg, 2007). The data presented in this report, including only immigrants who had been in Canada for 4 years, will highlight the difficulties experienced by recent immigrants and not their long term outcomes.

THE DATA: LONGITUDINAL SURVEY OF IMMIGRANTS TO CANADA

This report uses data from the Longitudinal Survey of Immigrants to Canada (LSIC), which was a joint undertaking between Statistics Canada and Citizenship and Immigration Canada under the Policy Research Initiative. The LSIC was conducted from 2001 to 2005.

The LSIC is a comprehensive survey designed to study the process by which new immigrants adapt to, or integrate into, Canadian society. As part of adapting to life in Canada, many immigrants face challenges such as finding suitable accommodation, learning or becoming more fluent in one or both of Canada's official languages, participating in the labour market or accessing education and training

opportunities. The results of this survey provide indicators of how immigrants are meeting these challenges and what resources are most helpful to their settlement in Canada. The survey also examines how the socio-economic characteristics of immigrants influence the process by which they integrate into Canadian society.

The topics covered by the survey include language proficiency, housing, education, foreign credentials recognition, employment, health, values and attitudes, citizenship, the development and use of social networks, income, and impressions about life in Canada. The questions address respondents' situation before coming to Canada and since their arrival.

The survey involved a longitudinal design, with immigrants being interviewed at three different times: six months, two years, and four years after landing in Canada. The target population for the survey consisted of immigrants who arrived in Canada between October 1, 2000 and September 30, 2001, were age 15 years or older at the time of landing, and landed from abroad (i.e. they must have applied through a Canadian Mission Abroad). Individuals who applied and landed from within Canada are excluded from the survey (Statistics Canada, 2007).

The time period of the LSIC (2001-05) was marked by economic expansion, strong employment gains, and earnings growth in Canada (Lin, 2008: 5). Existing economic conditions (see table 1 for basic economic data) and government policies may affect the employment trajectories of respondents. The outcomes of the respondents presented in this report may not be comparable to the experiences of immigrants who landed in different time periods. It is also important to note that this report examines the relationship between planned occupation and labour market outcomes. Clearly, a great many other variables are involved in shaping labour market integration and mobility for immigrants.

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

The LSIC sample design used a "funnel-shaped" approach. Thus, only immigrants that responded to the Wave 1 interview (at six months) were traced for the Wave 2 interview (at two years) and only those that responded to the Wave 2 interview were traced for the Wave 3 interview (at four years) (Statistics Canada, 2007).

Because of limited sample sizes, the data used in this report are for all of Canada and regulated occupations could not be broken down into occupational categories (i.e. health care, engineering, trades, etc). Table 2 shows the distribution of respondents to the LSIC. Immigrant men planning to work in unregulated occupations constitute the largest single category in the survey at 34.8%, followed by immigrant women planning to find work in unregulated occupations at 29.1%. Together, immigrants planning to work in unregulated occupations represented 63.9% of the sample, compared with 36.0% for immigrants planning to work in regulated occupations.

Table 2: Distribution of Respondents by Intention to Work in Regulated and Unregulated Occupations, Canada

	REGULATED		UNREGULATED	
	MEN	WOMEN	MEN	WOMEN
%	20.7	15.3	34.8	29.1
N	18, 410	13, 650	30, 970	25, 900

Regulated occupations: Immigrants were asked on arrival what occupations they were planning to do in Canada. Occupations were then divided into regulated and unregulated occupations. Regulated occupations were based on the information available from the Citizenship and Immigration Canada website: <http://www.cicic.ca/403/occupational-profiles-for-selected-trades-and-professions.canada?&crit=1>. The full list used in this report is available on request.

Note on statistically significant difference: Simply put, when comparing two numbers (percentages, averages, etc.), a significant difference indicates that we are sure that the numbers are different, 95 times out of a hundred. When using samples to calculate statistics, there is a chance that the sample does not represent the entire population. Statistical significance relies on confidence intervals to indicate the range within which the real value (that is, if the entire population had been used instead of a sample in the calculation) should fall. It is possible to compare confidence intervals to determine whether the numbers are different. We used a 5% chance of error in this report. If the confidence intervals do not overlap, then we are confident that the difference between the 2 numbers is not due to chance, 95% of the time. Statistics can be compared across time (for example, 6 months, 2 years or 4 years after arrival) or between different groups (for example, immigrants who arrived under different immigration classes).

RESULTS

a) Labour force participation and unemployment

Table 3 shows the percentage rate of participation in the labour force (i.e. those working or looking for work) 4 years after landing among male and female immigrants who were planning to work in regulated or unregulated occupations; unemployment rates (i.e. the percentage of those participating in the labour force who are unable to find work); and the incidence of full-time employment among those who are employed.

Table 3: Labour Force Participation Statistics for Immigrants intending to work in Regulated and Unregulated Occupations, 4 years after landing, Canada

	REGULATED		UNREGULATED	
	MEN	WOMEN	MEN	WOMEN
Participation rate	95.4 %	84.2 %	95.2 %	81.9 %
Unemployment rate	12.3 %	15.7 %	12.7 %	17.5 %
Full-time employment	93.4 %	78.5 %	91.6 %	74.9 %

There were no statistically significant differences between the participation rate, unemployment rate and full-time employment of immigrants planning to work in regulated and unregulated occupations.

Immigrant women had a lower participation rate and full-time employment rate than immigrant men. Immigrant women planning to work in unregulated occupations moreover had higher unemployment rate than immigrant men (17.5% vs. 12.7%, respectively). Differences in unemployment among immigrant men and women planning to work in regulated occupations (12.3% and 15.7% respectively) were not significant.

b) Transition into related employment

Table 4 indicates the average number of months that were taken after arrival before an immigrant was employed in their first job; the average number of jobless days per month experienced by immigrants between their second and fourth year in Canada; and the percentage of individuals whose main job at the time of the survey was related to their training or field of study.

Table 4: Transition into Related Employment Statistics for Immigrants intending to work in Regulated and Unregulated Occupations, 4 years after landing, Canada

	REGULATED		UNREGULATED	
	MEN	WOMEN	MEN	WOMEN
Time taken to find work	3.8	8.5	4.1	7.0
Average days of jobless spells per month **	4.3	6.4	3.6	6.3
% Main job being related to training or field of study	70.6 %	68.3 %	56.8 %	49.4 %

**The data do not represent actual days of unemployment in any given month, but is calculated from the total number of jobless days accumulated between the second and fourth year in Canada, divided by the number of months in the period (i.e. 24 months).

Immigrant men and women planning to work in regulated occupations were more likely to hold employment related to their training or field of study 4 years after arrival (70.6% and 68.3%, compared to 56.8% and 49.4%). Less than half (49.4%) of immigrant women planning to work in unregulated occupations had found employment related to their field of training or study. It is important to note, however, that employment related to their field of training or study does not necessarily imply that they had gained access to the relevant regulated profession. It might, for example, refer to a registered nurses finding work as a nursing aide.

The time taken to find employment and average jobless days per month were not significantly different between immigrants planning to work in regulated occupations and those planning to work in unregulated occupations. Immigrant women however took longer to find employment and had higher average jobless days than immigrant men, regardless of whether they were planning to work in regulated or unregulated occupations.

c) Hourly Wages and Annual Household Income

Table 5 shows the average hourly wage of male and female immigrants 4 years after landing, in constant 2005 Canadian dollars and the average family income in 2005 dollars for the households of immigrants, divided by the number of household members. (This includes the earnings of all members of the economic family, and not just the respondent).

Table 5: Hourly and Household Income (2005 dollars) for Immigrants intending to work in Regulated and Unregulated Occupations, 4 years after landing, Canada

	REGULATED		UNREGULATED	
	MEN	WOMEN	MEN	WOMEN
Average hourly wages (2005 dollars)	\$ 21.10	\$ 16.90	\$ 19.50	\$ 14.80
Annual household income per household member (2005 dollars)	\$ 17, 900	\$ 17, 500	\$ 16, 600	\$ 16, 100

Hourly wages were significantly different for all groups, with immigrant men planning to work in regulated occupations earning the highest hourly wages (\$21.10), followed by men planning to work in unregulated occupations (\$19.50). Immigrant women planning to work in regulated occupations also earned more than immigrant women planning to work in unregulated occupations (\$16.90 vs. \$14.80, respectively).

Differences in the annual household income per capita were not significant across all groups. Note that the annual household include the income of all members of the economic family. The survey did not ask about the planned occupations of other members of the household. It is therefore not possible to determine whether other members of the household are planning to work in regulated or unregulated occupations.

CONCLUSIONS

Clearly only tentative conclusions can be reached from the data compiled in this report. In part this is because the intention to work in a regulated or unregulated occupation before arrival is only one of many factors that might contribute to labour market outcomes. It is also worth bearing in mind that the data presented here represent only a very specific cohort of immigrants – arriving in a narrow window of time and within a particular set of macro-economic circumstances. Furthermore, intended occupation does not guarantee that immigrants end up working in that occupation. Difficulties with

accreditation or integrating into the labour market, changing interest and circumstances may all influence immigrants' trajectories following immigration.

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

- Immigrants planning to work in regulated occupations were more likely to have found work related to their studies or training 4 years after arrival (but the data do not tell us if such work was actually in a regulated occupation or just related to it);
- Gender and intention to work in regulated or unregulated occupation influence average hourly wages;
- There were no significant patterns connecting the intention to work in a regulated or unregulated occupation with labour participation, unemployment rates, jobless days, average months taken to find first job, and annual household income;
- Half of immigrant women planning to work in unregulated occupations did not work in their field of study 4 years after arrival, a proportion much lower than other groups;
- Immigrant women were more likely to have lower participation rate, lower full-time status, take more time to find their first job, experience longer jobless spells, and have lower hourly wages than immigrant men, regardless of whether they were planning to work in regulated or unregulated occupations.

APPENDIX

RELEVANT QUESTIONS FROM LSIC SURVEY QUESTIONNAIRE:

1. Gender – from CIC immigration records
2. Trade or occupation that respondent practiced or intended to practice when applied for immigration to Canada – from CIC immigration records
3. In what month and year did you arrive in Canada as a landed immigrant, a refugee or other type of immigrant? (wave 1)
4. When you decided to come to Canada, did you plan to work here? (wave 1)
5. Did you have an idea of what kind of job you wanted? (wave 1)
6. What kind of job did you want when you came to Canada? (wave 1)
7. Number of members in household (waves 1-3)
8. When did you start working for (the) employer? (waves 1-3)
9. Are you still working for (the) employer? (waves 1-3)
10. When did you stop working for (the) employer? (waves 1-3)
11. How many hours per week do you usually work? (waves 1-3)
12. “Is/Was” this job related to any education or training you have taken or are currently taking? (wave 2-3)
13. Since you came to Canada, how much income in total, have “you and your family” received from all sources? (Both inside and outside Canada if applicable.) (wave 1)
14. Could you give me an estimate of the total income that “you/you and your family” received before taxes and deductions from all sources inside and outside Canada in the last 12 months? (waves 2-3)

Questionnaire (wave 1): http://www.statcan.gc.ca/imdb-bmdi/instrument/4422_Q1_V1-eng.pdf

Questionnaire (wave 2): http://www.statcan.gc.ca/imdb-bmdi/instrument/4422_Q1_V2-eng.pdf

Questionnaire (wave 3): http://www.statcan.gc.ca/imdb-bmdi/instrument/4422_Q1_V3-eng.pdf

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