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Immigrants hardest hit by recent recession, study says

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Immigrants, particularly recent newcomers, have borne the brunt of unemployment as a result of the recent recession, a new study says.

The unemployment gap between immigrant and Canadian-born workers has grown since the global economic meltdown set off in late 2008 and newcomers in Greater Toronto were most affected, says the study being released Friday.

It is part of a project by the <u>Toronto Immigrant Employment Data Initiative</u>, made up of researchers from <u>York University</u>, <u>University of Toronto</u> and <u>Ryerson University</u> who study immigrant integration in the labour force based on government data.

"Recent newcomers already experience significant marginalization in the labour market. What is surprising is they are more badly affected than the other groups and the gap has kept widening," said York University geography professor **Philip Kelly**, the report's lead investigator.

Based on <u>Statistics Canada</u> labour force survey data, researchers found the unemployment rates for Canadian-born and established immigrants (in Canada for over five years) were at around 5 per cent at the onset of the recession in November 2008.

The jobless rate for newcomers, those in Canada for less than five years, was at 10 per cent.

By March 2011, a gap had emerged with the established immigrants' unemployment rate 2 to 2.5 per cent above their Canadian-born counterparts. The jobless rate for recent newcomers shot up to almost 15 per cent.

The gap was more pronounced in Greater Toronto, where Canadian-born workers had a 5 per cent unemployment rate in March 2011 — almost 4 per cent lower than the rate for established immigrants and 10 per cent below the level for recent newcomers.

Kelly attributed the widening gap in the GTA to job losses in the region's goods-producing sector, including manufacturing and construction, where employment fell by 14 per cent compared to its 2006 level. Across Canada, job loss in the sector averaged 5 to 6 per cent.

Kelly said what is most worrisome, as an impact of the economic downturn, is the erosion of the country's overall full-time employment.

While there is a longer-term trend toward a slightly lower rate of full-time employment for Canadian-born and established immigrants in the last five years, the percentage of recent newcomers working 30 or more hours a week fell from 86.1 to 82.9 per cent.

It suggests new immigrants have found themselves in precarious part-time employment in larger numbers, the report said.

Kelly said the federal government must invest in retraining and job search programs for newcomers in Greater Toronto.