

Preparing for the Canadian Labour Market: Education, Training and Language

by Dr. Steven Tufts, Sophia Lowe, Dr. Rupa Banerjee, and Stella Park

What is the issue?

Many immigrants face challenges in the Canadian labour market. Primary issues are:

- the challenges associated with learning English and/or French; and
- education and qualifications that are not always recognized by employers or easily upgraded.

There are relationships among immigrant language skills and educational background and labour market outcomes and earnings. TIEDI used a variety of variables, including period of immigration, gender, country of origin to compare immigrants with Canadian-born workers in Toronto.

What did the researchers find?

Well Known Trends

In a series of reports published by TIEDI, a number of relationships between language skills and earnings and employment outcomes mirrored established national trends. Firstly, language matters in terms of employment outcomes.

- More than half of immigrants who speak English or French very well or fluently find work in a field related to their education /training, compared to less than 1 in 5 for immigrants with limited official language skills.¹
- Workplaces that use non-official languages tend to be more homogenous in terms of ethnic/national composition.
- Women are more likely to use non-official languages in the workplace than men

- Immigrant women with limited official language skills fare worse than men with similar skills. Women with strong language skills have outcomes closer to their male counterparts.

The relationship between education and immigrant labour market outcomes is less clear, but some trends have been confirmed.

- When analyzing the impact of education on labour market outcomes by country of origin, no clear trend emerges. Immigrants from one country may do better than others in some periods of arrival and worse in others. Overall, all recent immigrants' earnings are lower than Canadian-born.
- Immigrants with degrees earned in Canada or other English-speaking countries are more likely to work in their field (English and French language skills figure heavily here), and are more likely to have higher earnings regardless of occupation than immigrants educated in other countries.²

Given that over half of all immigrants earned their highest degree outside of Canada, the impact of non-Canadian education in the labour market is real, particularly when considering those that did not earn their degrees from English-speaking countries³.

- Higher educated immigrants are more likely to work in jobs that are unrelated to their field of study. Therefore, higher educated immigrants face a greater wage gap relative to their Canadian counterparts than less educated immigrants.

¹Tufts, S., Damsbaek, N., Phan, M., Kelly, P., Lemoine, M., Lo, L., Shields, J. and Preston, V. Does self-reported English and French speaking ability affect labour market outcomes for immigrants? (TIEDI Analytical Report 6: February 2010)

² See TIEDI Analytical Report 6

³ Lo, L., Damsbaek, N., Phan, M., Kelly, P., Lemoine, M., Fang, T., Preston, V., Tufts, S. Are degrees/diplomas from inside and outside of Canada valued differently in the labour market? (TIEDI Analytical Report 14: December 2010)

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- Immigrant women with college or university education tend to face the lowest unemployment rates, while for immigrant men, the lowest unemployment rates are found among those with trade certifications⁴.

Immigrants seeking high school-level Canadian education appear to have higher household income levels than immigrants who have sought trade certification or have taken university courses, as well as immigrants who have not sought education in Canada.

New Findings

There appears to be ‘tipping-points’ in the attainment of higher levels of language skills and education in terms of labour force participation and earnings.

- With the exception of more recent arrivals, immigrants who attain higher levels of literacy with high education substantially improve employment and earnings⁵.
- The most significant improvement in earnings (a ‘tipping-point’) is noted when immigrants achieve a level of literacy comparable to a high-school graduate or entry-level college student.
- Immigrant men who returned to school in Canada are in fact *less* likely to hold full-time employment than immigrant men who did not seek education in Canada and take longer to find work.
- Immigrant men who returned to school in Canada are, however, more likely to

work in their field of study and have higher earnings.

- Immigrant, women, however, tend to suffer more than immigrant men for not seeking education of some kind in Canada⁶.
- University graduates born in Pakistan and Iran report low annual earnings and highest unemployment rates of all immigrants with university degrees.
- Other than immigrants educated in English-speaking countries, those from Southeast Asia also have higher returns to their education than other immigrants and Canadian educated.

Policy Questions?

What do apparent “tipping points” in the attainment of language skills mean for the allocation of funding for language instruction and the implementation of language programs?

Should policies and programs supporting the attainment of education in Canada target immigrant women?

What policies and practices are required to level outcomes of immigrants with similar levels of education which differ by country of birth?

ABOUT 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.

Website: <http://www.yorku.ca/tiedi/index.html>

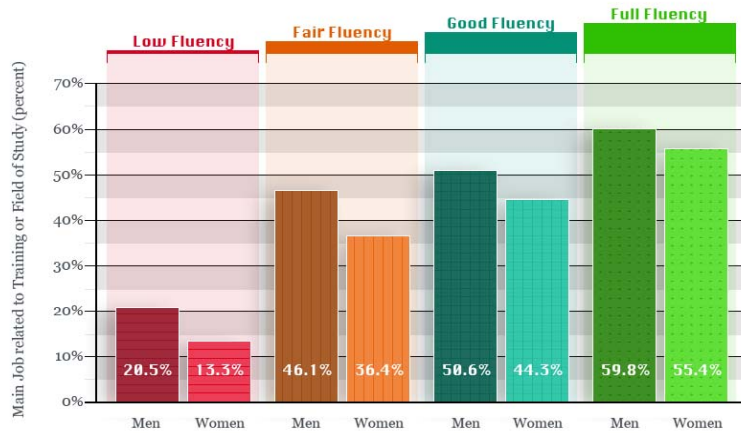
⁴ Preston, V., Damsbaek, N., Kelly, P., Lemoine, M., Lo, L., Shields, J., Tufts, S. Do educational attainment, gender and age affect labour market outcomes of immigrants? (TIEDI Analytical Report 16: January 2011)

⁵ Kelly, P., Damsbaek, N., Lemoine, M., Fang, T., Preston, V., Tufts, S. How do language skills affect the labour market outcomes of immigrants? Is there an average language threshold required for immigrants to find work at an appropriate level? (TIEDI Analytical Report 11: July 2010)

⁶ Shields, J., Phan, M., Yang, F., Kelly, P., Lemoine, M., Lo, L., Preston, V., Tufts, S. Does returning to school after immigration affect labour market outcomes for immigrants? (TIEDI Analytical Report 9: March 2010)

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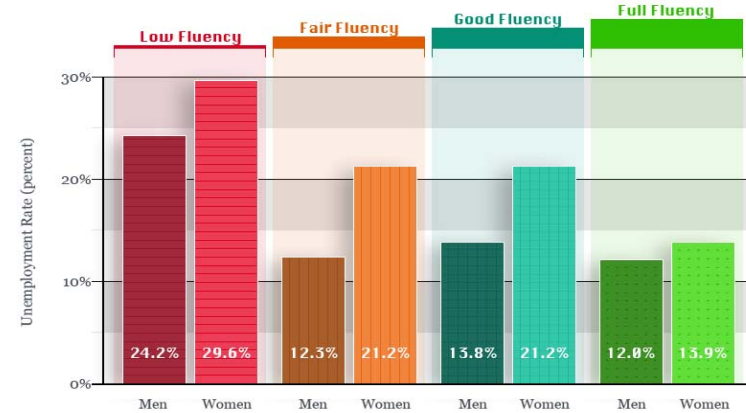
Figure 1: Percentage of Main Job being related to Training or Field of Study by Self-Reported English and French Speaking Ability, 4 years after landing, Canada



Adapted from TIEDI Analytical Report #6, Table 10 using data from the Longitudinal Survey of Immigrants to Canada (LSIC).



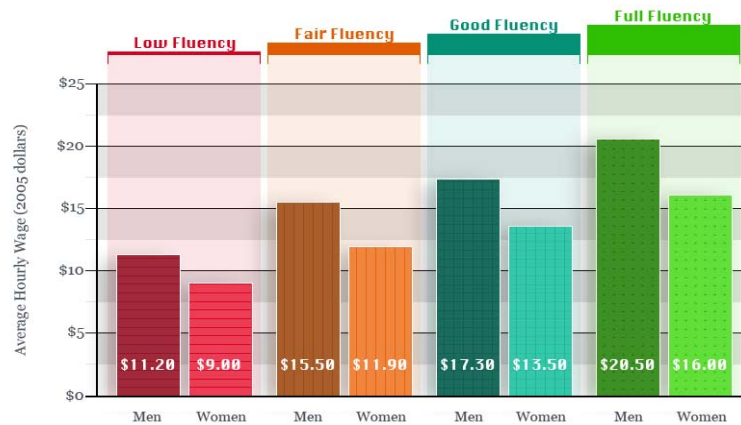
Figure 3: Unemployment rate by Self-Reported English and French Speaking Ability, 4 years after landing, Canada



Adapted from TIEDI Analytical Report #6, Table 9 using data from the Longitudinal Survey of Immigrants to Canada (LSIC).



Figure 2: Average Hourly Wage (2005 dollars) by Self-Reported English and French Speaking Ability, 4 years after landing, Canada



Adapted from TIEDI Analytical Report #6, Table 8 using data from the Longitudinal Survey of Immigrants to Canada (LSIC).



Figure 4: Ethnic composition of Workplace by Self-Reported English and French Speaking Ability, 2 years and 4 years after landing, Canada

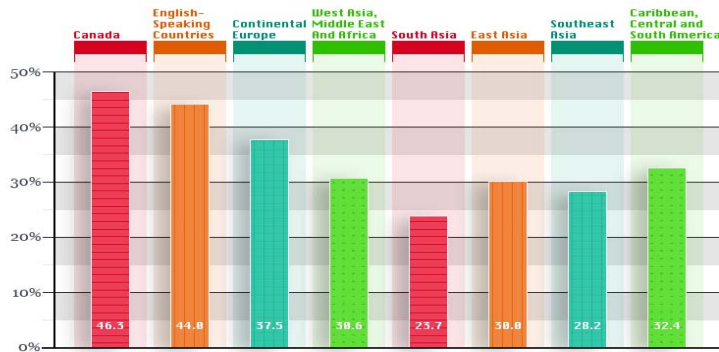


Adapted from TIEDI Analytical Report #6, Table 11 using data from the Longitudinal Survey of Immigrants to Canada (LSIC).



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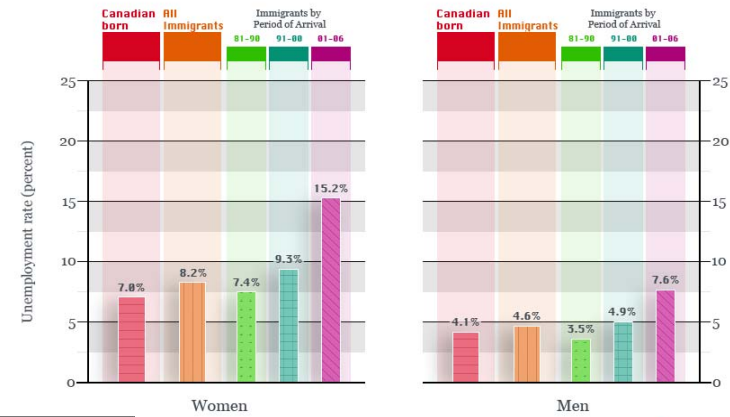
Figure 5: Percent population in relevant employment by place of study of highest education, 2006, Canada



Adapted from TIEDI Analytical Report #14, Table 4 using data from the 2006 Census.



Figure 7A: Unemployment and Participation Rates for Canadian-born and Immigrants by Educational Attainment, Period of Immigration and Gender, Toronto CMA

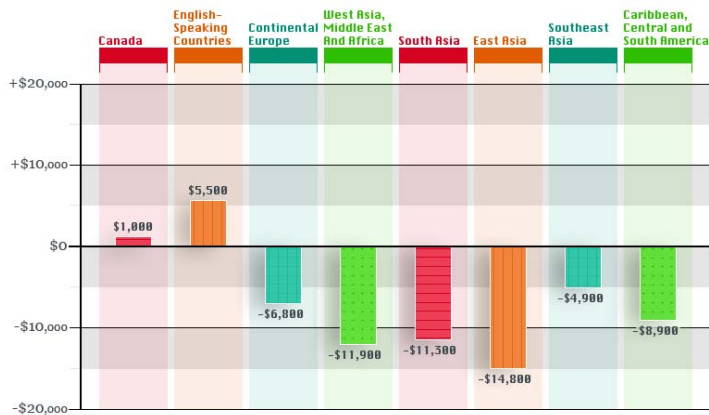


Adapted from TIEDI Analytical Report #16, Table 8 using data from the 2006 Census.

Education: 'Trades'



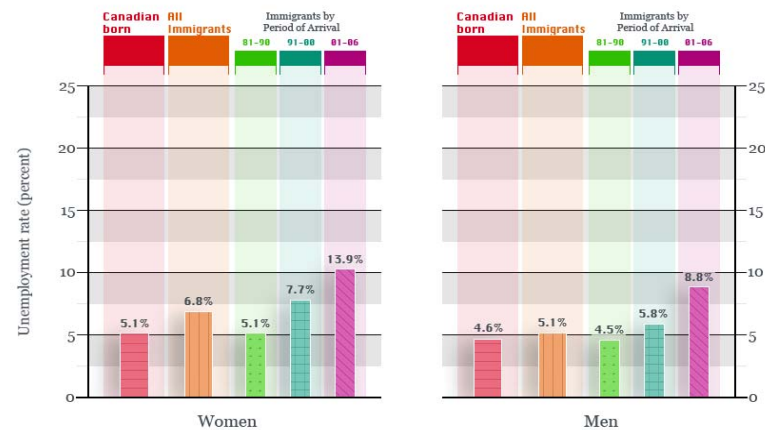
Figure 6: Average relative annual wage (2005 dollars) by place of study of highest education, 2006, Canada



Adapted from TIEDI Analytical Report #14, Table 4 using data from the 2006 Census.



Figure 7B: Unemployment and Participation Rates for Canadian-born and Immigrants by Educational Attainment, Period of Immigration and Gender, Toronto CMA



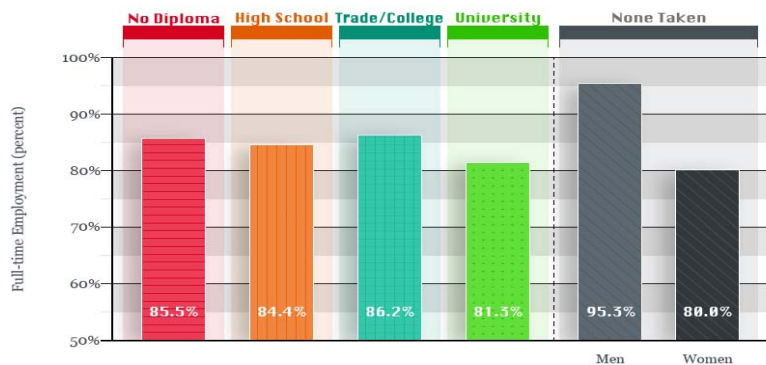
Adapted from TIEDI Analytical Report #16, Table 8 using data from the 2006 Census.

Education: 'College'



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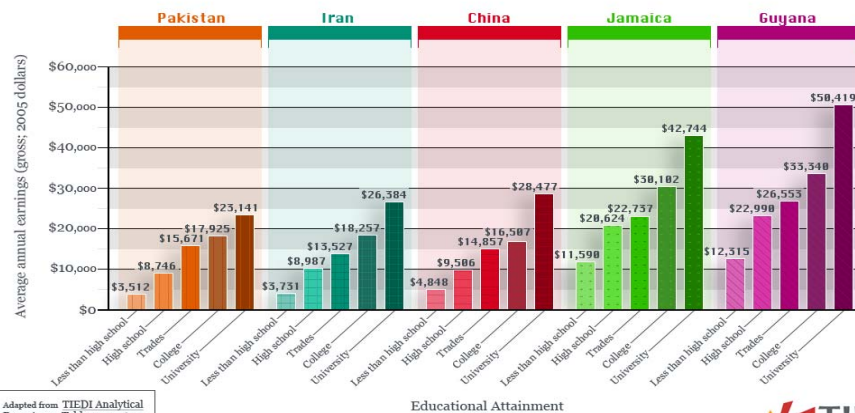
Figure 8: Full-time Employment for Immigrants who enrolled in school in Canada, 4 years after landing, Canada



Adapted from TIEDI Analytical Report #9, Table 3 using data from the Longitudinal Survey of Immigrants to Canada (LSIC).



Figure 10: Average annual earnings (gross; 2005 dollars) for All Immigrants** by Educational Attainment and 5 Selected Countries of Birth, Toronto CMA

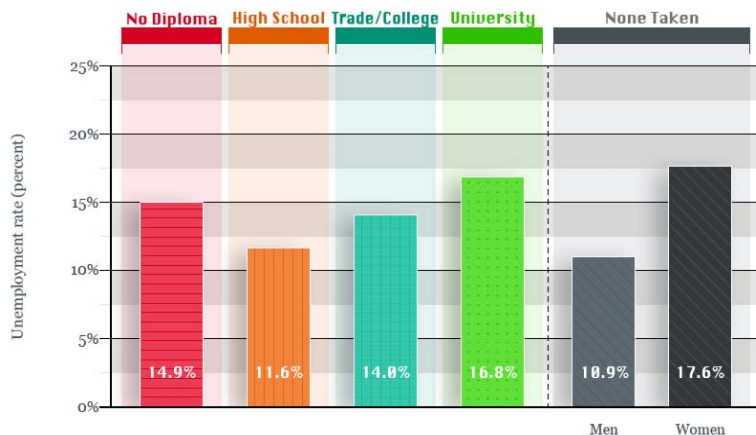


Adapted from TIEDI Analytical Report #13, Table 4 using data from the 2006 Census.



** Includes immigrants who arrived before and after 1981.

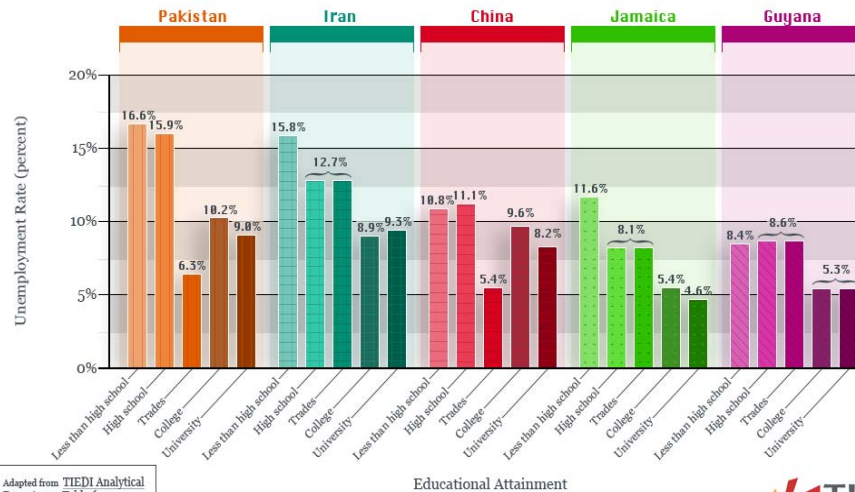
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Adapted from TIEDI Analytical Report #9, Table 3 using data from the Longitudinal Survey of Immigrants to Canada (LSIC).



Figure 11: Unemployment Rate for Immigrants by Educational Attainment and 5 Selected Countries of Birth, Toronto CMA



Adapted from TIEDI Analytical Report #13, Table 6 using data from the 2006 Census.

