

THE STORY SO FAR: COVID-19, THE CANADIAN LABOUR MARKET, AND IMMIGRANTS

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COVID-19 has revealed longstanding and multiple fissures in the Canadian labour market. As of the end of April, it was estimated that:

- 2.4 million people in Canada lost their jobs and income. The total number of people who have lost all or most of their employment income (counting those who are working few or no hours and are not getting paid, but are not officially unemployed) is estimated to be 6.6 million, or a 33.5% “realistic” unemployment rate (Stanford, 2020)
- The hardest hit are youth (ages 15 to 24) and recent immigrants ([Labour Force Survey, April 2020](#))
- Especially in Canada’s urban centres, a disproportionate number of care workers – suddenly recognized to be “essential” and at high risk of infection – are immigrant women working low-wage, part-time and temporary jobs (Armstrong et al., 2020; Lightman, 2019; Tungohan, 2020; Turcotte & Savage, 2020).

In this brief¹ we explore one important division: the differential impacts among Canadian-born (non-immigrants), long-term immigrants (those who landed more than 10 years previously), and more recent immigrants – those who landed 10 years or less previously.

We focus on those aged 15-64 using data from the monthly Labour Force Survey (LFS) conducted by Statistics Canada.²

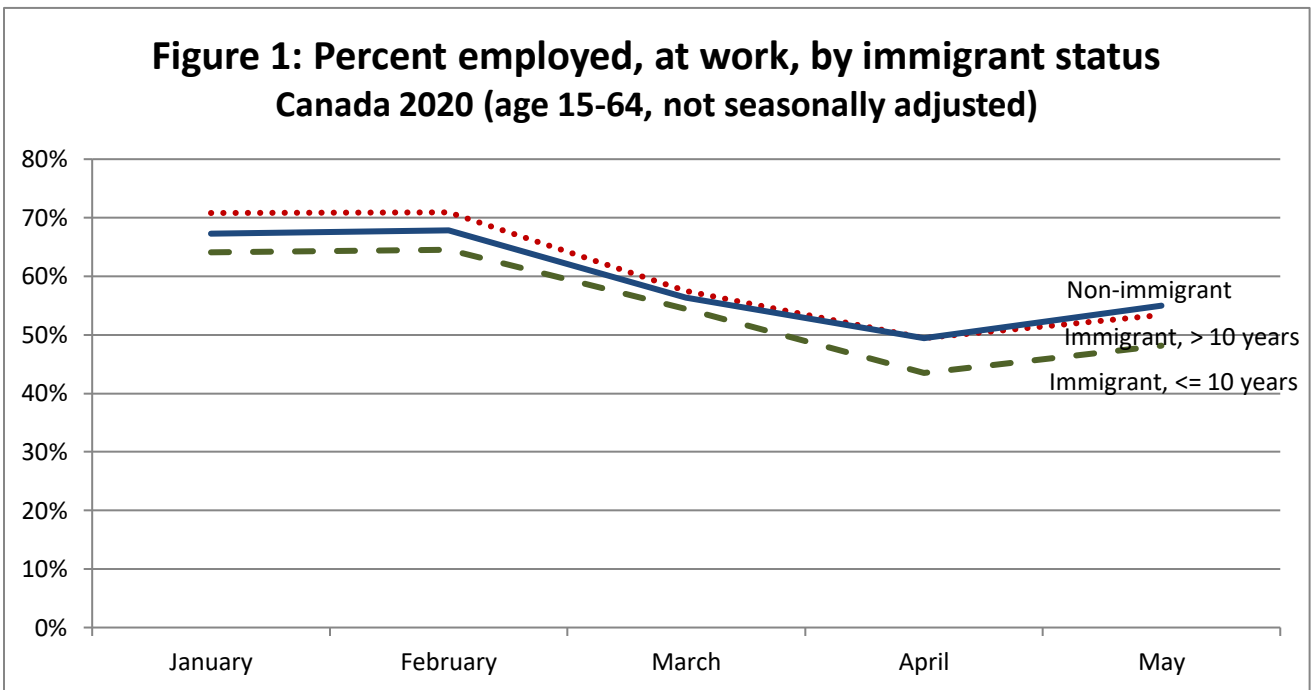
¹ We gratefully acknowledge funding support of the Social Sciences and Research Council (SSHRC) of Canada through the Insight Grant *Tracing and Addressing Social exclusion in Canada* (TASC), PI Luann Good Gingrich.

² See Statistics Canada, [Labour Force Survey \(LFS\)](#). We note that the “immigrant” and “non-immigrant” classifications we use are reductionist, covering over important distinctions by race, as well as the full range of “immigrant” and “refugee” admission categories. This analytical precision is not available with this dataset, as the LFS does not further disaggregate the immigrant variable.

Employed, at work

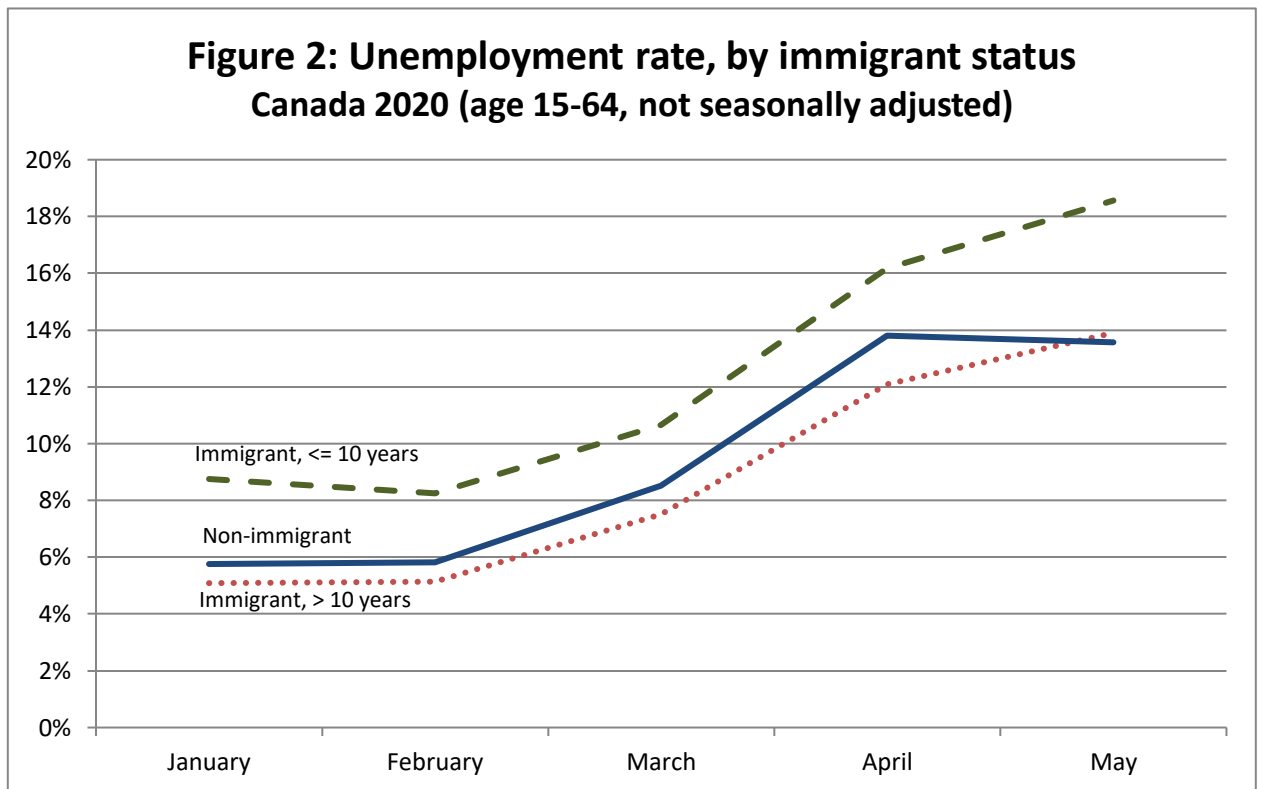
Immigrants who landed more than ten years previously (long-term immigrants) began the year with a higher likelihood of being employed, and at work, than either non-immigrants or more recent immigrants (Figure 1). As Canada entered the COVID-19 period, their rate of employment declined slightly faster than non-immigrants. By May 2020, they were less likely than non-immigrants to be employed, and at work, while employment among non-immigrants appeared to be recovering faster.

Typically, recent immigrants are less likely to be employed than either non-immigrants or long-term immigrants (Goldring & Joly, 2014; Lightman & Good Gingrich, 2012). However, the gap between recent immigrants and non-immigrants widened between March and May, while the gap between long-term immigrants and non-immigrants narrowed slightly.



Unemployment

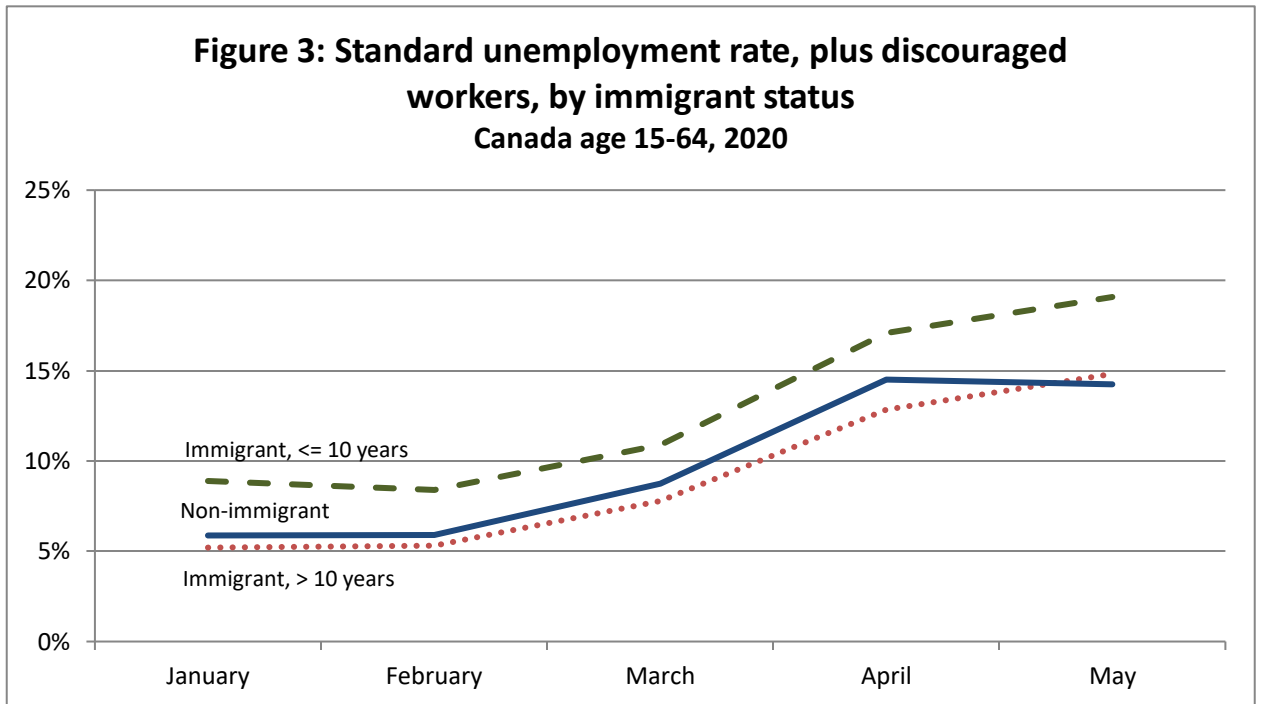
Unemployment rose sharply for all groups in March and April. Compared with non-immigrants, recent immigrants typically tend to have higher rates of unemployment, and long-term immigrants lower (Hira-Friesen, 2018; Lightman & Good Gingrich, 2018). However, from April to May the official unemployment rate among non-immigrants declined slightly, while it continued to rise for both immigrant groups, especially more recent immigrants whose unemployment rate was close to 19 percent, widening the gap between them and other groups.



Broader measure of unemployment

The standard unemployment rate excludes many who want to work, but are not looking for a job because they believe no work is available. These people are typically considered outside the labour force, and are therefore not counted as unemployed.

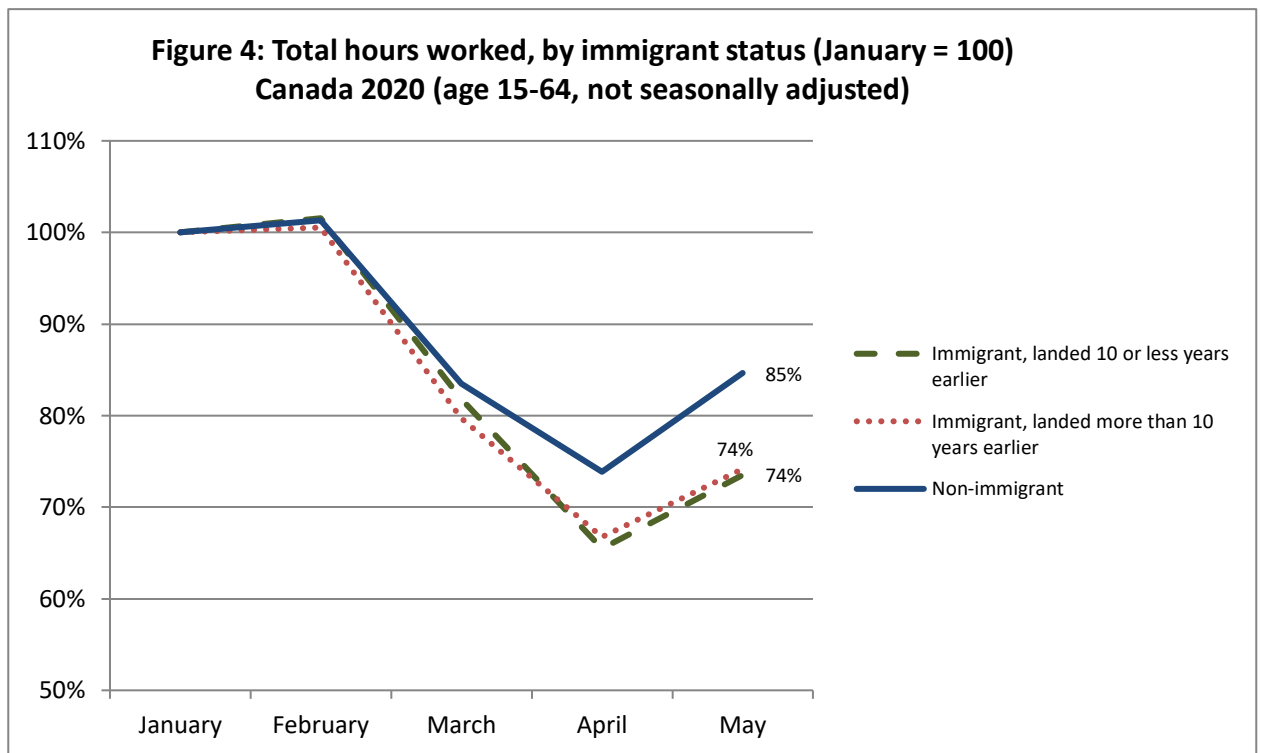
However, if we include these so-called ‘discouraged workers,’ unemployment increased among all groups between March and May, and approached one in five among more recent immigrants.



Hours worked

Unemployment is only one way people in the labour force were affected by the crisis. Many people remained employed, but with reduced hours. Figure 4 shows the total hours worked from January to May (setting January = 100). From February to April, hours worked among non-immigrants fell to 74 percent of the level in January. Among recent and long-term immigrants, hours worked dropped to 65 and 67 percent, respectively.

Hours worked recovered somewhat in May, more so among non-immigrants, whose hours returned to 85 percent, while immigrants recovered to only 74 percent of their January hours.

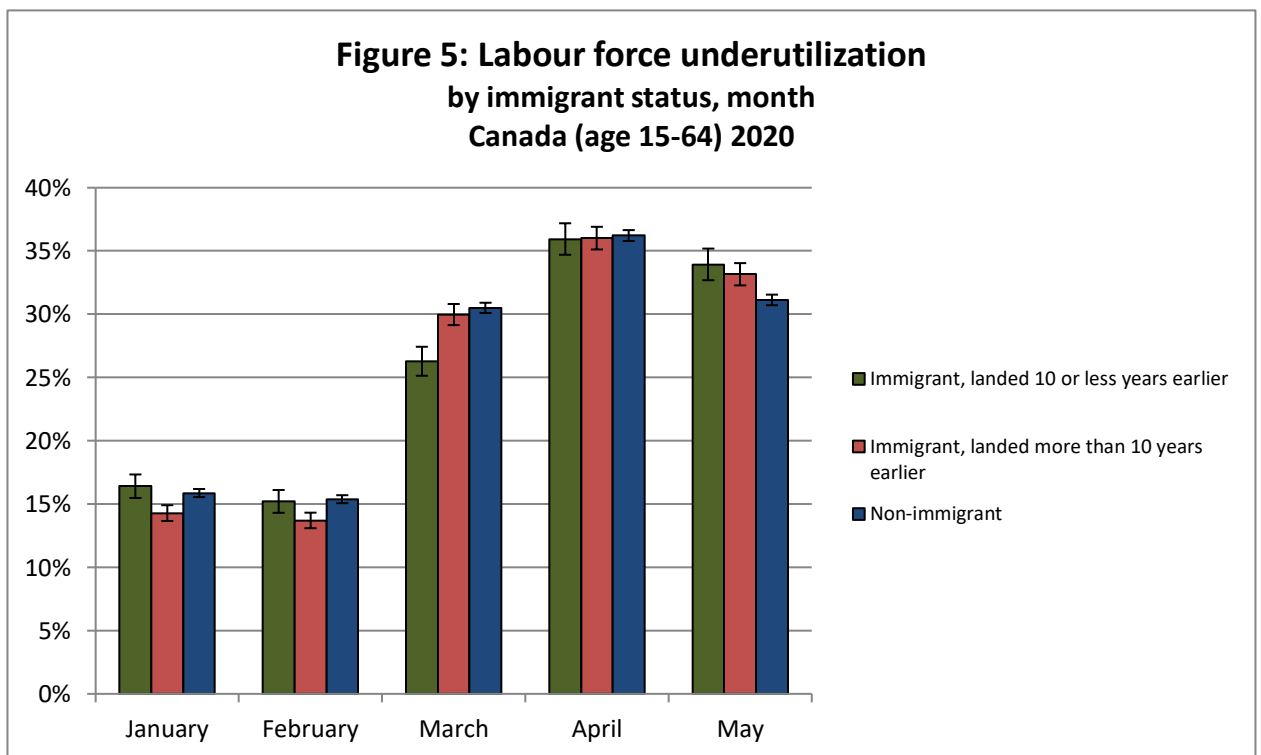


Labour force underutilization

We can combine our measures of unemployment, those outside the labour force but wanting work, and those working less than half their usual hours into a composite measure of ‘underutilization’ ([Labour Force Survey, May 2020](#)).

Figure 5 shows there was a marked rise in labour force underutilization from approximately 15 percent in January-February, peaking around 35 percent in April, and declining slightly to around one-third of the labour force in May. We have added 95 percent confidence intervals to the usual point estimates to assess whether any apparent differences are true significant differences, or statistical artifacts. In January/February, long-term immigrants were less underutilized compared with newer immigrants and non-immigrants, a difference that was statistically significant.

All groups saw a dramatic increase in underutilization, and in April none were statistically different from the other groups. However, by May both immigrant groups were more likely to be underutilized compared with non-immigrants who experienced a larger decline in underutilization.



Conclusions

The immediate adverse labour market impacts of COVID-19 were disproportionately experienced by immigrants, regardless of their time since landing or their pre-COVID employment status on the same measures. In a few short months, the gains that long-term immigrants had made in over 10 years in Canada were all but lost. How do we explain this?

Labour market participation does not yield even opportunities for getting ahead. This data shows that certain individuals and groups are systematically denied full access to the legitimate ways of getting ahead that are ordinarily available through paid work (Good Gingrich & Lightman, 2015). We know that certain types of occupations were largely protected in the first months of the pandemic. For example, employment losses for non-unionized workers in temporary jobs that pay by the hour were much more rapid and dramatic than for salaried, unionized professional workers with permanent employment ([Labour Force Survey, April 2020](#)). We also know that immigrants are overly represented in devalued and precarious job sectors – the very same work that is suddenly recognized to be “essential” for our families and communities to carry on in the pandemic.


We draw two main conclusions from this analysis:

1. Common measures of employment obscure the deepening and precise segmentation of the labour market.
2. The global health crisis exposes the absurdity of an economic and social system that hyper-values “distance from necessity” (Bourdieu, 1984) – the illusion that it’s possible to keep necessity at arm’s length – and devalues all that sustains life and well-being.

We will further explore the labour market impacts of COVID-19 for women and young workers in forthcoming briefs. Watch the [Global Labour Research Centre’s](#) website for more of Canada’s labour story.

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