

Income and mobility of immigrants, 2018

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The COVID-19 pandemic has affected many aspects of Canadian immigration, including reduced permanent resident admissions and lower labour market outcomes. This article presents the latest economic and mobility outcomes of immigrants admitted to Canada using data from the 2019 Longitudinal Immigration Database, and provides baseline estimates prior to the pandemic for future analyses.

In recent years, the profile of immigrants admitted to Canada has changed. The median entry wage for immigrants admitted to Canada in 2017 was the highest to date, reaching \$30,100 in 2018.

This value surpassed the previous high of \$26,500 for 2017 outcomes of immigrants admitted in 2016. These new data also highlight a decreasing gap between the immigrant median entry wage and the Canadian median wage (\$37,400). Factors such as pre-admission experience, knowledge of official languages, and category of admission, among other socioeconomic characteristics, could contribute to the rise in median entry wage compared with previous admission years.

A growing share of immigrants have pre-admission experience in Canada

Compared with previous years, more immigrants admitted in 2017 had pre-admission experience in Canada, such as having held a work or study permit or having claimed refugee status prior to admission. Pre-admission experience, which can provide immigrants with language skills and knowledge of the job market, can help immigrants settle more quickly than those with no pre-admission experience.

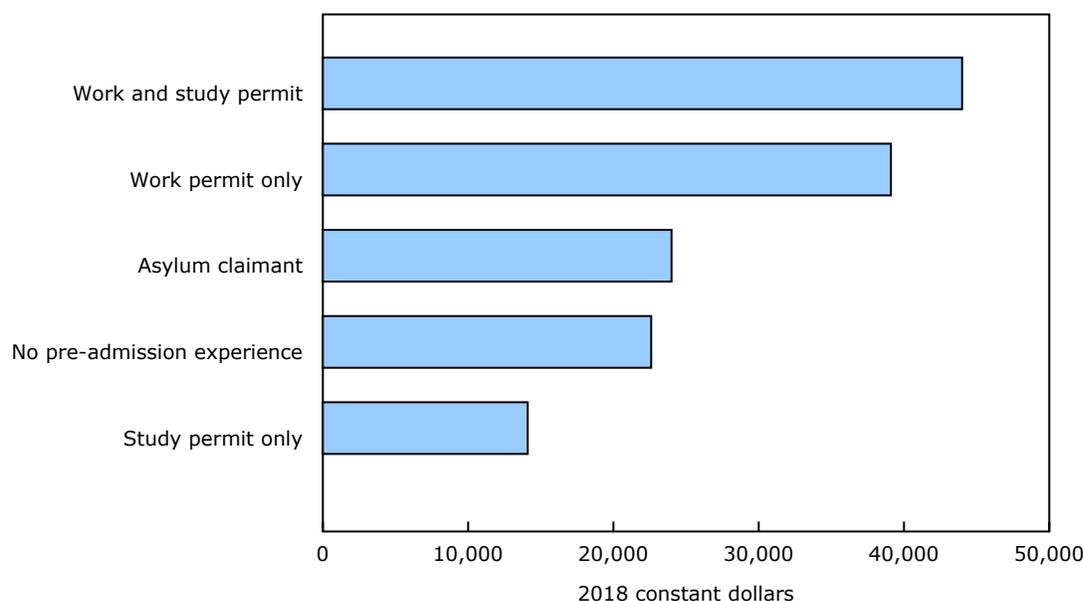
Higher entry wages—wages reported one year after admission—are associated with having a work permit prior to admission. In the 2018 tax year, among immigrants admitted in 2017, median entry wages were highest for those with both a study and work permit (\$44,000) and those with a work permit only (\$39,100). In fact, the median entry wage of immigrant taxfilers with work permits surpassed the Canadian median wage of \$37,400.

In comparison, immigrant taxfilers without pre-admission experience had a median entry wage of \$22,600, and those with a study permit only had a median wage of \$14,100. While immigrants with study experience only have a lower median entry wage, they tend to be younger than immigrants with other types of pre-admission experiences and may continue studying after admission, which contributes to strong wage catch-up over time.

The proportion of immigrant taxfilers with pre-admission experience was higher among immigrants admitted in 2017 (46.5%) than among those admitted in 2016 (38.7%). The share of immigrants with both a work and a study permit increased 5.8 percentage points, while the share of immigrants with a previous work permit rose 2.0 percentage points. This change likely contributed to the higher median entry wage reported for the 2017 admission group.



Chart 1
Median entry wages for immigrants admitted in 2017, by pre-admission experience



Source(s): Longitudinal Immigration Database, table 43-10-0026-01.

Economic immigrants born in the United States and United Kingdom have the highest median wages 10 years after admission

Principal applicants of economic immigration categories are selected for their ability to contribute to the Canadian economy. The long-term economic outcomes of those admitted in 2008 varied depending on their country of birth. Variations in wages can be influenced by factors such as knowledge of at least one of the official languages and recognition of foreign credentials in the labour market.

Among the principal source countries of economic immigrants admitted to Canada in 2008, the median entry wage ranged from \$15,300 among those born in Algeria to \$86,200 among those born in the United States. In 2018, 10 years after admission, the median entry wage ranged from \$38,800 among those born in South Korea to \$100,700 among those born in the United States.

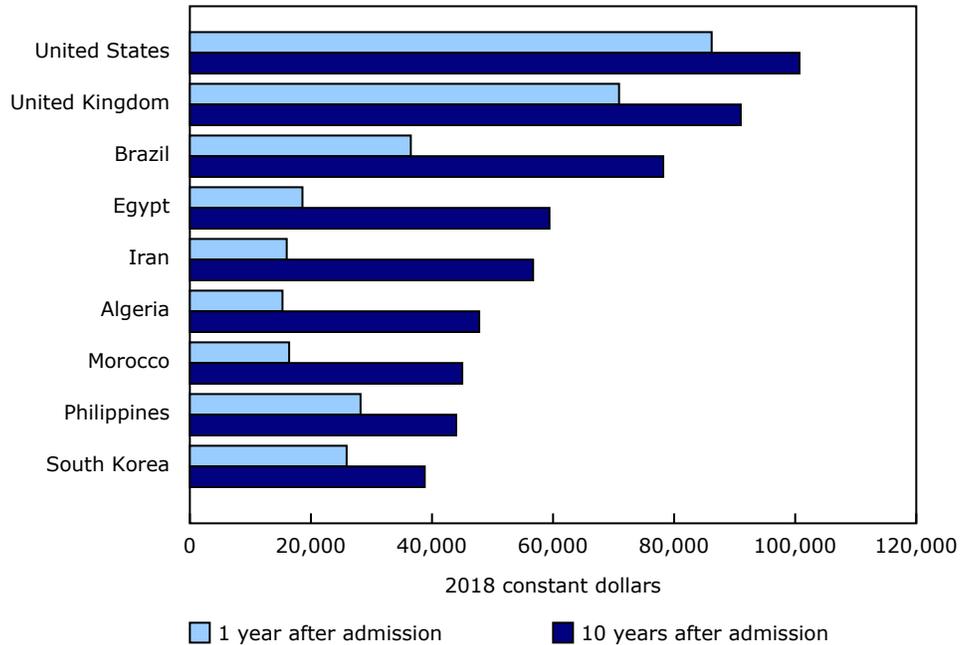
Economic immigrant principal applicants who were born in the United States and admitted to Canada in 2008 had the highest median wage at both entry and 10 years after admission. Their median wage grew 16.8% over the 10-year period. In 2018, 10 years after admission, economic principal applicants who were born in the United Kingdom (\$91,000) and Brazil (\$78,200) had the second and third highest median wages.

Economic immigrant principal applicants with the highest increases in median wage 10 years after admission were born in Iran (+254.4%; from \$16,000 one year after admission to \$56,700 10 years after admission), Egypt (+219.4%; from \$18,600 to \$59,400) and Algeria (+212.4%; from \$15,300 to \$47,800).

In 2018, economic immigrant principal applicants from the top source countries of immigration over the last 10 years all reported median wages exceeding the Canadian median wage of \$37,400.

Chart 2

Median wages and salaries of economic immigrant principal applicants admitted in 2008, 1 year and 10 years after admission, by selected country of birth



Source(s): Longitudinal Immigration Database, table 43-10-0027-01.

Immigrants with pre-admission work experience more often stay in their province of admission

The reasons for immigrating to Canada, in addition to prior work and study experiences, can influence which immigrants remain in their province of destination five years after admission.

Five years after admission, 87.0% of immigrant taxfilers who were admitted in 2013 filed tax returns in their province of admission. Overall, Ontario had the highest provincial retention rate (93.2%), followed by Alberta (90.4%) and British Columbia (90.1%).

Among immigrant taxfilers admitted to Canada in 2013, provincial retention rates five years after admission were 93.6% among immigrants sponsored by family, 87.1% among refugees, and 82.6% among economic immigrants. Retention rates were higher among immigrants with asylum claims (93.6%) or a work permit only (89.7%) prior to admission, while they were lower among immigrants who had a study permit only (80.9%) or a study permit in addition to a work permit (79.7%) prior to admission.

Table 1
Five-year retention rates, by pre-admission experience and province, for the 2013 admission year

	All	Study permit only	Work permit only	Work permit and study permit	Asylum claimant	No pre-admission experience
	%					
Canada	87.0	80.9	89.7	79.7	93.6	86.9
Newfoundland and Labrador	50.8	50.0	50.0	44.4	0.0	53.7
Prince Edward Island	39.9	66.7	59.5	50.0	0.0	31.6
Nova Scotia	61.5	66.7	67.0	45.6	40.0	64.7
New Brunswick	48.3	45.5	66.7	57.1	0.0	41.7
Quebec	82.1	68.1	92.4	83.1	93.0	80.0
Ontario	93.2	90.3	94.1	92.0	95.3	93.0
Manitoba	75.0	61.1	73.5	60.3	75.0	76.7
Saskatchewan	66.1	63.6	73.7	44.6	53.3	72.4
Alberta	90.4	87.2	93.4	84.0	91.4	89.8
British Columbia	90.1	89.9	91.3	89.8	92.7	89.8
Territories	62.7	33.3	63.9	40.0	0.0	66.7

Source(s): Longitudinal Immigration Database, table [43-10-0018-01](#).

Similar trends in retention rates were observed 10 years after admission among immigrant taxfilers admitted in 2008. Ontario (90.3%), British Columbia (86.9%) and Alberta (86.8%) posted the highest retention rates, while those with asylum claims (90.6%) and work permits only (88.8%) were most likely to remain in their province of admission. Overall, the retention rate 10 years after admission was 85.4%.

Note to readers

The Longitudinal Immigration Database (IMDB) is a comprehensive source of data that plays a key role in the understanding of the economic behaviour of immigrants and non-permanent residents. It is the only annual Canadian dataset that allows users to study the characteristics of immigrants to Canada at time of admission and the economic outcomes and regional mobility of immigrants over a period of more than 35 years.

The IMDB is the result of a partnership between Statistics Canada, Immigration, Refugees and Citizenship Canada (IRCC), and the provinces. The IMDB combines administrative files on immigrant admissions and non-permanent resident permits from Immigration, Refugees and Citizenship Canada (IRCC) with tax files from the Canada Revenue Agency (CRA). IRCC's administrative records contain extensive information on immigrants admitted to Canada since 1952. They also include information on non-permanent residents who have been granted a temporary resident permit since 1980. Fiscal data are available from the CRA's tax files for immigrant taxfilers admitted since 1980. Tax records for 1982 and subsequent years are available for immigrant taxfilers.

The IMDB links short-term and long-term outcomes to characteristics at admission, such as immigrant admission class, country of origin and knowledge of official languages. The IMDB also provides information on pre-admission experience in Canada and citizenship acquisition since 2005.

For additional information regarding the data coverage and data quality of the IMDB, users should refer to the 2019 Longitudinal Immigration Database technical report.

It is to be noted that the IMDB is updated annually. From year to year, there have been changes to data processing. Each yearly update is independent.

This release analyzes income based on the medians of wages (for the population with wages, salaries or commissions income, excluding self-employment income). The median is the level of income at which half of the immigrant taxfilers have higher income and half have lower. Zeros values are not included in the calculation of medians for individuals. All income estimates are expressed in 2018 constant dollars to factor in inflation and enable comparisons across time in real terms.

Median entry wage in this analysis is measured as the median wage reported one year after admission to Canada as permanent residents.

Economic immigrant admission categories include immigrants who have been selected for their ability to contribute to Canada's economy through their ability to meet labour market needs, to own and manage or to build a business, to make a substantial investment, to create their own employment or to meet specific provincial or territorial labour market needs.

Principal applicant is the person submitting the immigration application and the individual being assessed on admission criteria under each of the admission categories, while their accompanying spouse and dependents are admitted automatically with the principal applicant.

Taxfilers are immigrants who have filed a tax return for a given taxation year.

The **province of admission** is the province of intended destination.

Country of birth indicates the country where an immigrant was born, following the [Standard Classification of Countries and Areas of Interest \(SCCAI\) 2019](#). The list of top countries presented in the analysis represent the main source countries for Canada over the last 10 years of admission.

For a more detailed description of the immigrant admission classes, see the [IRCC Glossary](#).

Source on income of Canadians: Table 11-10-0239-01, Income of individuals by age group, sex and income source, Canada, provinces and selected census metropolitan areas. Data on immigrants are included in the table.

Available tables: [43-10-0017-01](#), [43-10-0018-01](#) and [43-10-0026-01](#).

Definitions, data sources and methods: survey number [5057](#).

The 2019 Longitudinal Immigration Database is now available upon request.

The "[Longitudinal Immigration Database \(IMDB\) Technical Report, 2019](#)" is now available as part of the series *Analytical Studies: Methods and References* ([11-633-X](#)).

The data visualization tools "[Longitudinal Immigration Database: Interactive Application – Income](#)" and "[Longitudinal Immigration Database: Interactive Application – Mobility](#)" are available.

The products are available on the [Immigrant and Non-Permanent Resident Statistics Portal](#). The Portal was designed to provide easy and free access to immigrant and non-permanent resident data and publications. Information is organized into broad categories including analytical products, data products, reference materials and interactive applications.

Table 43-10-0027-01 will be available February 2, 2021.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).