

Recent immigrants in the workforce

by Jane Badets and Linda Howatson-Leo

During the first part of this decade, some 1.4 million people immigrated to Canada, contributing to one of the highest immigration flows since the 1940s. Nearly half of these new arrivals — 46% — were in the prime working ages of 25 to 44 years. As a result, recent immigrants have come to account for a growing proportion of new entrants to the labour force.

The ease with which these newcomers integrate into Canadian society depends, to a large extent, on their ability to find jobs. How have these recent immigrants fared in terms of employment (or unemployment) and the types of jobs they have found? And has their experience differed from that of others, including earlier groups of immigrants and people born in Canada? Using data from the Censuses of Population, this article explores the labour market experiences of recent immigrants in the 25 to 44 year age group from 1986 to 1996.¹

Most recent immigrants speak English or French and are highly educated

Knowing the language of one's new country helps to understand that country's culture and allows one to take part in day-to-day life. Becoming part of the workforce also tends to

1. All populations discussed in this article refer to those aged 25 to 44 years, unless otherwise indicated.

CST What you should know about this study

Recent immigrants: People who immigrated to Canada 5 years or less prior to the date of the Census. For example, in the case of the 1996 Census, recent immigrants refer to those who immigrated between 1991 and the first four months of 1996.

Canadian youth: People aged 15 to 24 who were not students (non-students) at the time of the Census, unless otherwise indicated.

Employment rate: The percentage of employed persons in the week prior to Census day in a particular population group (for example, women, immigrants, population aged 25 to 44). Also known as the employment-population ratio.

Unemployment rate: The percentage of unemployed people in the total labour force (which consists of the employed and the unemployed). The unemployed are those who, during the week prior to Census day, were without paid work but were available for work; they either had actively looked for work in the past four weeks or were on temporary lay-off or had definite arrangements to start a new job in four weeks or less.

Full-time or part-time employment: The total number of hours per week a person reported working in the Census reference year (the year preceding the Census). Full-time employment is considered to be 30 hours or more per week; part-time is less than 30 hours.

Full-year, full-time workers: Persons who said they worked 49 to 52 weeks in the Census reference year (1995), mostly full-time.

Part-year or part-time workers: Persons who said they worked less than 49 weeks in the Census reference year (1995), or who worked mostly part-time.

Occupation: The kind of work a person was doing during the week prior to the Census. If someone was not employed in the week prior to Census day, the information relates to the job of longest duration since January 1 of the previous year. The 1996 Census classified occupation information according to the 1991 Standard Occupational Classification (SOC).

be easier if one speaks and understands the language, particularly in professional occupations where communication is an essential part of the job. Among immigrants who spoke neither English nor French, people with lower levels of schooling had higher rates of employment than those who were highly educated. However, educated or not, in both the 1980s and the 1990s recent immigrants who could speak English or French were more likely to be employed than those who could not.

Canada's newcomers appear well equipped with language skills. In both the 1980s and the 1990s, the overwhelming majority of recent immigrants reported that they were able to conduct a conversation in one of the country's official languages.² In 1996, for example, 94% of men and 91% of women said that they spoke English or French. The figures in 1986 were similarly high: 93% of recent immigrant men and 89% of women claimed to speak at least one official language. One must, however, keep in mind that being able to converse informally does not necessarily indicate an ability to work in a language.

In general, education is also an important predictor of labour force performance. And newcomers who entered the country during the 1980s and the 1990s had, on average, higher levels of education than Canadian-born people in the same age group (25 to 44 years). In 1996, for example, the proportion of men with a university degree was twice as high among recent immigrants as among the Canadian-born: 36% versus 18%. Similarly, recent immigrant women were also more likely than Canadian-born women to have completed their university education: 31% compared with 20%. A similar pattern, although not as pronounced, appears at the other end of the educational spectrum: the proportion of men without high school graduation was

18% among recent immigrants and 23% among the Canadian-born aged 25 to 44. Among women, the proportion who had not completed high school was, at 19%, the same for both immigrants and those born in Canada.

Recent immigrants less likely to be employed in 1996

Despite their language abilities and high qualifications, recent immigrants are generally less likely to be employed than people born in Canada. In the short term this is not surprising, given that establishing oneself, making contacts and applying for jobs in a new environment tend to take time. However, compared with 1986, the employment situation of recent immigrants seems to have become more precarious both in absolute terms and relative to the Canadian-born; in 1996, immigrants found it substantially more difficult to secure jobs than did their predecessors in the 1980s. While this was also true for many Canadian-born, opportunities for immigrants have deteriorated more significantly.

For example, while in 1986 the employment rate of recent immigrant men aged 25 to 44 years was 81%, by 1996 it had declined to just 71%, indicating a substantial reduction in the likelihood of finding a job. Although during this period the employment rate of Canadian-born men also declined, it did so only slightly, from 87% to 84%. Immigrant men of the 1990s were notably worse off in the job market than their counterparts in the 1980s. And when

2. The census question on knowledge of official language asks respondents whether they are able to conduct a conversation in either or both of the official languages. The information collected, then, is based on respondents' self-assessment and may overstate (or understate) the actual abilities of these individuals in either or both languages.

Highest level of schooling completed	% employed age 25 to 44			
	Men		Women	
	Canadian-born	Recent immigrants	Canadian-born	Recent immigrants
Total	84	71	73	51
Less than high school	71	65	52	38
Secondary school	85	69	71	44
Non-university	88	74	79	58
Some postsecondary	83	67	72	47
University	92	73	86	58

Source: Statistics Canada, 1996 Census of Population.

it came to finding a job, in 1996 they fell farther behind Canadian-born men than had immigrants a decade earlier.

Recent immigrant women were in an even more disadvantaged position. While their employment rate was already low at 58% in 1986, by 1996 it had fallen to an even lower 51%. Meanwhile, as a result of changing career aspirations, higher educational attainment and families' need for two incomes, Canadian-born women's employment rate continued its upward climb, from 65% in 1986 to 73% in 1996. It appears that immigrant women of the 1990s lost out in the job market. Their employment rates were lower than those of their counterparts in the 1980s, they lagged behind Canadian-born women with the gap rising over the years, and they were also substantially behind immigrant men when it came to finding employment.

Why employment was more problematic for immigrants of the 1990s is not clear, particularly since these newcomers had higher educational levels and better language skills than those who had arrived in the 1980s. Partly, it may be the result of the economy's difficulties in absorbing new entrants. But a host of other issues, such as the types of skills immigrants bring with them, their cultural background and their personal characteristics, are likely at work as well.

Education doesn't pay off for recent immigrants

For the Canadian-born, more often than not, education is the key to finding employment. The situation for recent immigrants, however, is very different.³ Although their chances of

finding employment did increase somewhat with higher levels of education, their employment rates continued to lag far behind those of the Canadian-born. Among men with less than high school, for example, some 71% of the Canadian-born and 65% of recent immigrants were employed in 1996. However, at the university level, 92% of those born in Canada had jobs, compared with only 73% of recent immigrants. The difference was even more pronounced for immigrant women. For Canadian-born women, employment rates climbed from 52% for those with less than high school to 86% for the university educated. In contrast, the employment rate of recent immigrant women with a university degree was just 58%.

Nearly one out of three recent immigrants work in sales and services

When looking for jobs, newcomers are often willing to make what they hope will be short-term sacrifices. To get established in a new country, some may initially take jobs that fall below their qualifications or expectations. Others may be able to find work in areas of their expertise.

3. The employment and unemployment rates for recent immigrants were adjusted to take account of the different educational profiles of the immigrant and Canadian-born populations. This adjustment (known as standardization) removes the effect of any differences due to education when comparing the two populations. As well, the unemployment rates were standardized by age to account for the fact that a higher proportion of recent immigrants are in the younger age group of 25 to 34 years.

	Men		Women	
	Canadian-born	Recent immigrants	Canadian-born	Recent immigrants
All occupations	%		%	
Management	11	9	7	5
Business, finance and administrative	10	10	33	21
Natural and applied sciences and related	9	12	2	4
Health	2	2	10	6
Social science, education, government service and religion	5	5	10	5
Art, culture, recreation and sport	2	2	3	3
Sales and service	17	24	27	38
Trades, transport and equipment operators and related	27	18	2	2
Primary industry	6	2	2	1
Processing, manufacturing and utilities	10	17	4	15

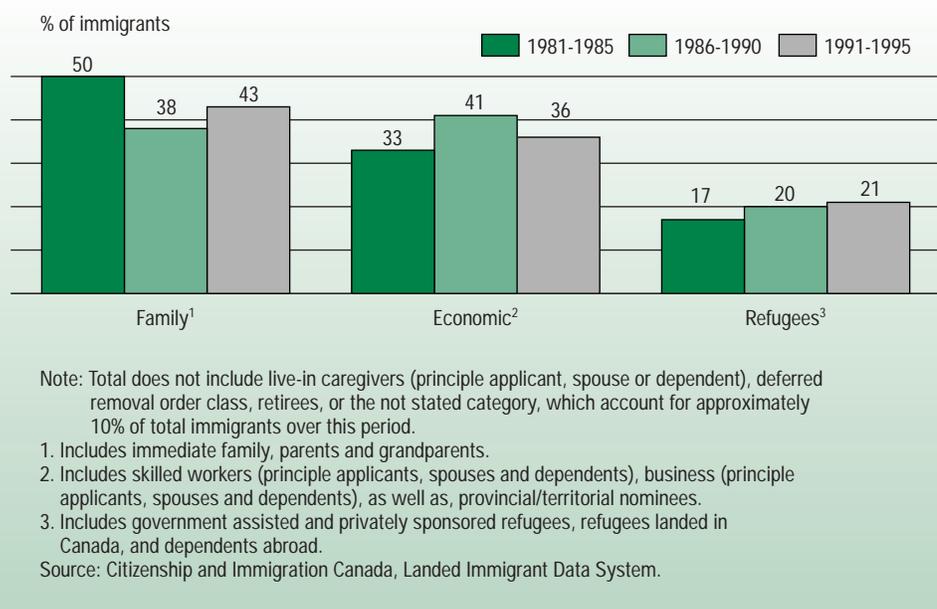
Source: Statistics Canada, 1996 Census of Population.

Immigration to Canada in the past two decades has been characterized by several changes: source countries of immigrants, selection criteria, and higher numbers of immigrants entering Canada each year in the 1990s (over 200,000). The number and selection of immigrants entering Canada are determined to a large extent by government policies controlling admissions. Since the late 1970s, Canada's immigration policy has been guided by three broad objectives: to reunite families; to fulfill Canada's international legal obligations, and compassionate and humanitarian traditions with respect to refugees; and to foster a strong and viable economy in all regions of Canada.¹

These objectives are reflected in the three categories under which people are admitted each year as permanent residents: family, humanitarian (refugees) and economic (skilled workers, business immigrants and their spouses and dependents). Only skilled workers and business immigrants (including investors, entrepreneurs and the self-employed) are selected on the basis of their labour market skills. Since 1967, skilled workers have been rated on a "point" system based on their age, education, training and occupation skills, demand for their occupation in Canada, existence of pre-arranged employment, and knowledge of one of Canada's official languages.

Between 1981 and 1985, the largest proportion (50%) of immigrants were admitted for reasons of family reunification, much higher than the 33% admitted in the economic category. In the following five year period (1986 to 1990) this pattern had changed, with the economic category accounting

for the largest proportion (41%) of immigrants and a slightly smaller proportion (38%) in the family category. During the early 1990s, a higher proportion of immigrants was admitted in the family category than the economic category, a pattern similar to that of the early 1980s. In contrast to these shifting trends in the economic and family component of immigration, the proportion admitted to Canada as refugees has remained fairly constant throughout both the 1980s and 1990s at around 17% to 21% of total immigration.

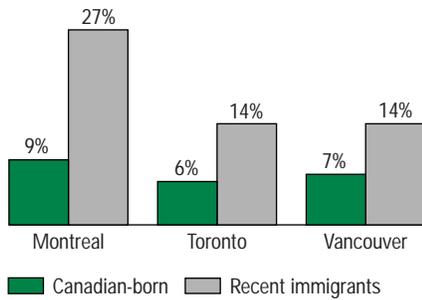


A number of factors affect the extent to which recent arrivals integrate into Canada's labour market, as well as how quickly and easily this integration occurs. This article focuses on two important ones, level of education and knowledge of Canada's official languages. Other possible factors which may influence labour market outcomes are the selection of immigrants, their skills and attributes at the time of entry, their country of origin or visible minority status, as well as their intentions and aspirations for immigrating to Canada.

1. Citizenship and Immigration Canada. October 1994. Annual Report to Parliament. Ottawa. p.11.

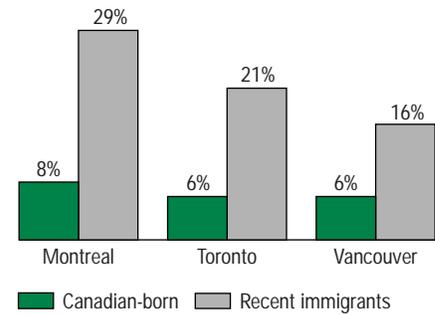
For various reasons — such as the availability of jobs, proximity to others with the same origin, or educational opportunities for themselves or their children — most of Canada's recent immigrants have made their homes in the country's three largest cities. Toronto received the lion's share, with 42%, followed by Vancouver (18%) and Montreal (13%). The impact on the working-age population has been significant: in 1996, recent immigrants accounted for 14% of Toronto's population aged 25 to 44, some 13% of Vancouver's and 6% of Montreal's. It is in these cities that the majority of immigrants are working or looking for jobs. Immigrant unemployment, then, is mostly an urban phenomenon, belonging particularly to Canada's three largest cities.

Unemployment rate for men aged 25-44 ...

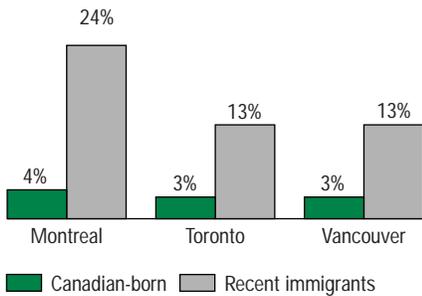


- Recent immigrants – both men and women – had the highest unemployment rates in Montreal.
- In Toronto and Vancouver, recent immigrant men were about two times more likely to be unemployed than their Canadian-born counterparts.
- Recent immigrant women had higher jobless rates than either immigrant men or women born in Canada.

Unemployment rate for women aged 25-44 ...

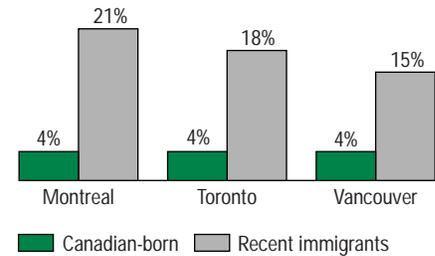


... with a university degree

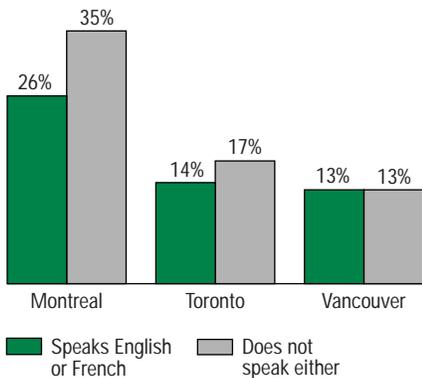


- Unlike the Canadian-born, recent immigrants did not see their unemployment rate decline significantly with higher education.
- University educated recent immigrants — both men and women — were most likely to be unemployed in Montreal.
- In both Toronto and Vancouver, university-educated immigrant men's jobless rates were more than four times the rate of their Canadian-born counterparts.

... with a university degree

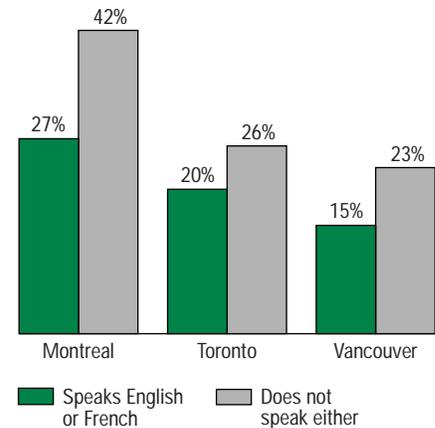


... recent immigrants



- In all three CMAs, knowledge of an official language affected women's unemployment rate more than men's.
- In Vancouver, immigrant men's unemployment rate did not vary with official language knowledge.

... recent immigrants



Note: See footnote 3, page 18 about standardization of unemployment rates.
Source: Statistics Canada, 1996 Census of Population.

In 1996, recent immigrants were most likely to be employed in sales and service occupations. These jobs, which often require little or no previous experience and relatively few skills, tend to have easier entry requirements than other occupations. In addition, in today's increasingly service-oriented economy, sales and service jobs tend to be plentiful. It is not surprising, then, that some 31% of employed recent immigrants (38% of women and 24% of men) held these types of jobs compared with 23% of Canadian-born people aged 25 to 44 years. And although some in this sector were not highly educated (one-third of recent immigrants with less than high school worked in sales and services), others appear

to have been considerably overqualified. For example, nearly one-quarter of recent immigrants with university degrees held jobs in sales and service occupations, making them about twice as likely to work at these jobs as their Canadian-born counterparts. It is possible that some highly educated immigrants whose qualifications are not recognized in Canada fell into this category.

On the other hand, substantial proportions of recent immigrants, particularly men, were employed as highly skilled professionals. Nearly one-quarter of immigrant men with university degrees were working in occupations in the natural and applied sciences as, for instance, computer

CST Youths and immigrants: new entrants facing a tough market

In some ways, the hurdles that recent immigrants face in the labour market resemble those faced by Canadian youths. While there are undoubtedly differences between these two groups – educational profile,¹ age, skills, social network, family responsibilities – youths and recent immigrants share some important characteristics. As new entrants to a competitive, and in some regions a tight, labour market, both groups are disadvantaged: they lack work experience (or Canadian work experience in the case of immigrants), tend not to have a well-established network of contacts, and are often under financial strain.

Indeed, even when they did succeed in finding employment, youths and immigrants were more likely than the rest of the population to work part-time or part-year and in entry-level service jobs. In 1995, the majority of employed people in both groups – 68% of youths and 58% of recent immigrants aged 25 to 44 years — were working part-time or part of the year compared with 42% of the Canadian-born between the ages of 25 and 44. While high levels of part-time employment are not a new development for either youths or immigrants (many in the 1980s were also in this situation), the incidence of this work arrangement has become more frequent since 1990. Industrial restructuring, rapid technological advances and a large baby-boomer workforce have all contributed to new entrants' increasing difficulties in securing full-time employment.

Both youths and recent immigrants were most likely to be employed in sales and service occupations. Among those in the labour force, 31% of recent immigrants and 43% of Canadian youth

were employed in these jobs compared with 22% of the Canadian-born aged 25 to 44.

The parallel between these two groups does not, however, end with work arrangements or type of employment. The proportions of youths and recent immigrants who were not able to find jobs were also remarkably similar. Indeed, in 1996, the overall unemployment rate of recent immigrants was virtually identical to that of youths: 17% and 18%, respectively.² And as did immigrants, young people also had most difficulty trying to find jobs in Montreal, although their unemployment rate (18%) was not nearly as high as that of recent immigrants (27%). In Toronto and Vancouver, unemployment rates for both groups were the same.

While the unemployment scenario of Canadian youths and recent immigrants converged in 1996, the situation in the 1980s was quite different. For example, in 1986 the jobless rate was a relatively low 12% for recent immigrants compared with a much higher 17% for youths. So while finding jobs that year was already difficult for young people, immigrants had an easier time.

1. Immigrants aged 25 to 44 were more highly educated than Canadian youth. Immigrant men were seven times more likely than young Canadian men to have a university degree. Immigrant women were almost four times more likely than Canadian young women to do so. However, the education gap becomes smaller if the comparison is restricted to large urban areas, where most immigrants settle.
2. Because information on school attendance was not available in the 1986 Census, the unemployment rates for Canadian youths (in both 1986 and 1996) refer to the population aged 15 to 24, regardless of school attendance.

engineers, chemists and aerospace engineers. In contrast, 17% of Canadian-born men with university degrees worked in these types of jobs.

Summary

The labour market of the 1990s has undergone a number of changes. Significant shifts in the composition of the workforce, industrial restructuring, rapid technological advances and a prolonged recession altered employment opportunities. As new entrants to this labour market, immigrants who came to Canada during the 1990s experienced difficulties finding employment. These initial difficulties are often related to the fact that newcomers tend to go through a temporary adjustment period while they become established in their new country. In that they lack Canadian work experience, do not yet have a solid network of contacts, and have faced labour market difficulties in the 1990s, their situation is more difficult than that of their Canadian-born contemporaries.

Based on the experiences of earlier immigrants, however, one might expect that with time the 1990s wave of immigrants will find jobs and participate fully in the Canadian economy. Indeed, over a decade, the unemployment rate of immigrants who came in the early 1980s dropped to the point where the rate for men matched that of the Canadian-born. Women also experienced improvements, if to a somewhat lesser extent. It is true that the 1990s immigrants arrived during a different economic climate, and that factors not addressed in this article — such as cultural background, intentions and aspirations, types of skills and attributes — also affect the ease of labour market entry. However, it seems reasonable to assume that time will again improve the employment opportunities of Canada's newcomers.



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Young men more likely to try more than one potentially harmful behaviour

According to the 1994/95 National Population Health Survey, the majority of teenagers and young adults (aged 15 to 24) had engaged in at least one of four potentially harmful activities (binge drinking, smoking, sex without a condom or sex with multiple partners) in the previous year. Men aged 20 to 24 were most at risk. More than one in five (22%) in this age group reported engaging in at least three of the four risk behaviours, compared with 17% of women. On the other hand, 19% of men and 31% of women aged 20 to 24 reported that they had tried none of these activities.

*Health Reports, Autumn 1998, Vol. 1, no. 2
Statistics Canada,
Catalogue no. 82-003-XPB or
Internet product 82-003-XIE*



National Longitudinal Survey of Children and Youth, Cycle 2

In 1994/95, the National Longitudinal Survey of Children and Youth (NLSCY) began a comprehensive study of children under the age of 12. The second cycle, conducted in 1996/97, shows that the vast majority of these same children were growing up healthy and well-adjusted, and were progressing well in school. Still, a significant proportion of children lived in difficult family circumstances and faced other disadvantages that put their

development at risk. The movement of children's families into and out of a lower-income situation between 1994 and 1996 is attributable primarily to family breakdown and formation. Children of families that broke down between 1994 and 1996 were four times more likely to have moved into the lowest income quartile than others (26% versus 6%). The reverse was also true. Children of parents who were single in 1994 but were living with a partner in 1996 were also more than four times as likely to move out of the lower-income quartile as other children (30% versus 7%).

For information about the National Survey of Children and Youth, contact Sylvie Michaud (613)-951-9482 or Yvan Clermont (613)-951-3326.



Rural and small town population grows in the 1990s

Canada's rural and small town (RST) population grew by 4% between 1991 and 1996 (if reclassification of some RST areas into larger urban centres is not taken into account). This growth was not even across Canada. Newfoundland's RST population dropped by 5% while British Columbia's grew by 13% during this period. Canada's RST population was 19% smaller in 1996 than in 1976 due to the reclassification of RST areas into larger urban centres. In 1996, the share of Canada's population living in RSTs was 22% compared to 34% in 1976.

*Rural and Small Town Canada Analysis Bulletin Vol. 1, no. 1
Statistics Canada,
Internet product 21-006-XIE*



Income of dual-earner families hits record high in 1996

The recession of the early 1990s had only a temporary impact on the income of dual earner families. In 1996, the average income of two-partner families in which both had earnings matched the previous record of 1989, reaching \$71,100 in 1996. In contrast, average income of single-earner two-partner families in 1996 was still 7% lower than in 1989 at an average of \$52,500.

*Characteristics of dual-earner families, 1996,
Statistics Canada,
Catalogue no. 13-215-XIB*



Homicide rate declines

In 1997, the national homicide rate declined 9% to 1.92 per 100,000 population, its lowest point since 1969. The homicide rate has generally been decreasing since the mid-1970s, following rapid growth during the late 1960s and early 1970s. There were 581 homicides in 1997, 54 fewer than in 1996. Compared with other industrialized countries, Canada's 1997 rate was less than one-third that of the United States (6.70), but higher than that of most European countries, such as England and Wales (1.00) and France (1.66).

*Juristat: Homicide in Canada, 1998
Vol. 18, no. 12
Statistics Canada,
Catalogue no. 85-002-XPE or
Internet product 85-002-XIE*



Survey on the Importance of Nature to Canadians

About 85% of adults participated in one or more nature-related activities ranging from a picnic at the beach to camping, canoeing, sightseeing, fishing or hunting. People spent an estimated \$11 billion on nature-related activities averaging \$550 per participant. About one-third of participants visited a provincial or national park or other protected area.

For information about the Survey on the Importance of Nature to Canadians, contact Marc Hamel (613)-951-2495 or Chantal Hunter (819)-994-2177 (Environment Canada)



Undergraduate enrolment drops

After peaking early in the 1990s, undergraduate enrolment has declined for five consecutive years. The five-year decline was due to a sharp drop in part-time undergraduate students, especially among older age groups, while full-time enrolment has remained steady. Women aged 18 to 24 were the only group whose full-time undergraduate enrolment increased between 1992/93 and 1997/98 by 6%. In contrast, enrolment of men in this key age group declined by over 2% over the same period.

CANSIM tables 00580602, 00580603, 00580701 and 00580702