

Article

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January 20, 2009

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by *Derrick Thomas*

The importance of language in the labour market and general integration of immigrants is widely agreed upon.¹ Immigrants must often adjust to societies with cultures and languages that differ from their experience.

The languages of the larger established population in the areas where migrants settle tend to be the ones used in markets and in most workplaces. In addition, Canada also has Official Languages legislation. Various Federal and Provincial Acts formally establish laws for language use, for instance: that people seeking government services will be served in the official language of their choice; that publicly-funded schooling will be available in an official language; or that official languages are the language(s) of work in a given institution or area.

For the purposes of this article, “official languages” refers to English and French.² The term “non-official language” refers to a language other than English or French.

Many studies in Canada have used census data to examine the impact of official language ability on the economic integration of immigrants.³ Until 2001, the census only provided data on the self-reported ability to

conduct a conversation in an official language. Language ability is more complex, however, than it initially appears.

There are various levels of language knowledge from basic survival ability to complete fluency. The ability to understand, speak, read and write can, moreover, be distinguished. Official language literacy is lower among immigrants, even when those unable to speak English or French are taken out of the equation.⁴ Accented speech can also exert an influence.⁵ Immigrants may well be at a disadvantage for some time even after they report that they can conduct a conversation in the language of the predominant marketplace.

Another measure now exists that can complement data on the self-assessed ability to conduct a conversation in English or French. Since 2001, the Canadian census⁶ has also asked about languages of work (See “What you should know about this study”). This article explores the utility of this new measure as a predictor of economic adjustment among immigrants, as compared to and in conjunction with self-reported official language ability. Language of work reflects to a certain extent the

assessment of the marketplace with respect to workers’ official language capacity and literacy. As such, it adds to our ability to explain employment, occupation and earnings.

Immigrants make up a growing share of Canada’s population and labour force. There were over 3.8 million immigrants in the experienced labour force in the 2006 Census,⁷ an increase of about one half million over the number in 2001. The use of non-official languages is increasing in Canada’s workplaces and markets. The number of immigrants working in Canada in a non-official language grew from 538,000 in 2001 to 611,400 in 2006. This represents an increase of 73,400 people or almost 14%.

This article looks at a number of issues. One question concerns the extent to which immigrants who work in a non-official language do so because they derive an advantage through access to additional markets. Alternatively, some immigrants may work in a non-official language because poor official language skills limit their choices and confine them to less rewarding jobs. Perhaps work in a linguistically-delimited market segment (enclave^{8,9}) can be an important stepping stone where

some immigrants earn a living while they adjust to life in Canada. This article will discuss these issues using data on language of work from the 2006 Census. The focus will be on immigrants in the experienced labour force.

Labour force participation and employment differ according to the language at work

Immigrants who cannot conduct a conversation in English or French are more likely to be unemployed or not in the labour market. Those who held no job in 2005 or in 2006 were not asked about their language at work in the 2006 Census and hence are not part of this analysis. Unemployment and participation rates can be calculated for those who held a job at some point. Those rates, however, underestimate the extent of non-participation and unemployment among those unable to converse in an official language.

Even so, non-participation and unemployment rates are generally higher among those immigrants who reported using a language other than English or French in a job at some point between January 1, 2005 and May 16, 2006. Compared to those who did not use a non-official language, rates are especially high among those who used a non-official language exclusively, followed by those who used one most of the time. Rates, however, were slightly lower among those who used an official language most of the time but also used a non-official one regularly (Table 1).

A similar pattern is observed with respect to part-time work. Part-time jobs are more common among those who use "only" a non-official language at work. They are less common, however, among those who use one in conjunction with an official language. This suggests that there may in fact be opportunities for those who use a non-official language, provided they also have some official language skills.



Table 1 Non-participation and unemployment as of Census Reference Week for immigrants who worked at some point over the previous 16 months, according to how often they used a non-official language at work

In Census reference week ¹	Use of non-official language at work			
	Do not	Also ²	Mostly	Only
	percentage			
Non-participation rate	8.0	6.8	8.6	15.0
Unemployment rate	4.4	3.8	4.6	8.0

1. May 7 to 13, 2006.

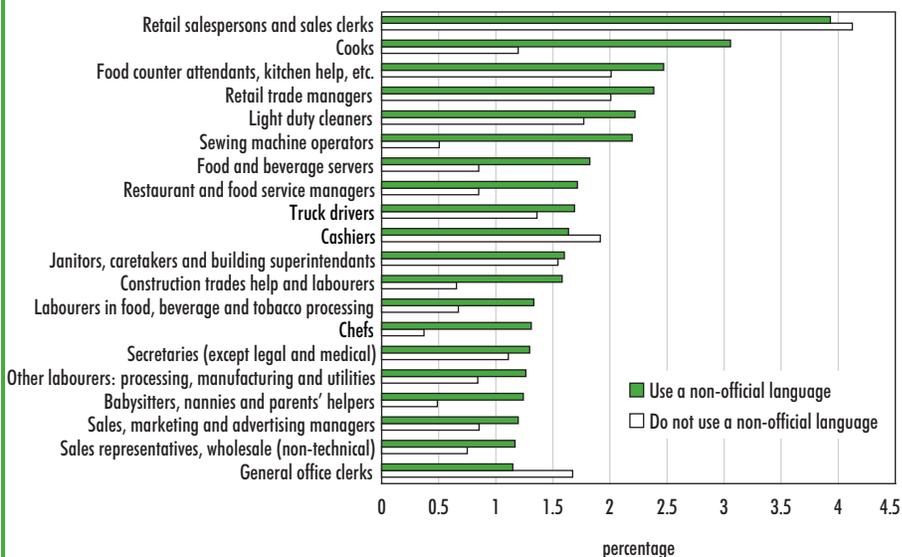
2. Uses an official language most of the time at work, but **also** regularly uses this non-official language at work.

Source: Statistics Canada, Census, 2006.



Chart 1 Occupational distribution of immigrant workers by language of work

Top 20 occupations for non-official language users



Source: Statistics Canada, Census, 2006.

Immigrants who use languages other than English or French are more often found in less skilled occupations

The occupational profile of immigrant workers who use languages other than English or French at work reflects many jobs that usually require less formal training and may be poorly paid.¹⁰ Chart 1 shows the top 20 occupations selected for the

highest proportion of immigrants who are non-official language users. For the purposes of comparison, it also shows the proportion of immigrants who do not use non-official languages with any regularity in the same occupations.

There are comparatively more cooks, restaurant workers, cleaners, sewing machine operators, labourers and childcare workers among

immigrants who use a non-official language at work. There are also however more "retail trade managers," "marketing managers" and "sales representatives." Immigrants in these managerial occupations more often used a non-official language along with an official one. Among immigrants who worked in other languages, the proportion in occupations such as marketing and sales management declined as non-official languages gained in predominance. It was highest for those who used an official language most of the time (5.2%) , followed by those who used a non-official language most of the time (5%), and was lowest for those who used a non-official language only (2.9%).

Immigrants who work in a language other than English or French are also concentrated in fewer occupations. About 36% are found in the 20 jobs listed in Chart 1. In contrast, the top 20 occupations for immigrant workers who do not use a non-official language at work reflect more skilled

occupations and account for only 31% of them.

The concentration is highest (53%) among those who regularly use "only" a non-official language. A quarter of this latter group is found in just 5 occupations: cooks, sewing machine operators, food counter/kitchen help, babysitters/nannies and light duty cleaners. Marketing managers and sales representatives, moreover, do not appear in the list of most important occupations for those who only use a non-official language.

Twenty industries employ over 40% of immigrants who work in a non-official language

Immigrants using a non-official language at work are also concentrated by industry (Chart 2). It tells much the same story.

Restaurant employment accounts for a large proportion of immigrants who work in a non-official language, followed by farms, residential construction, building services, clothing

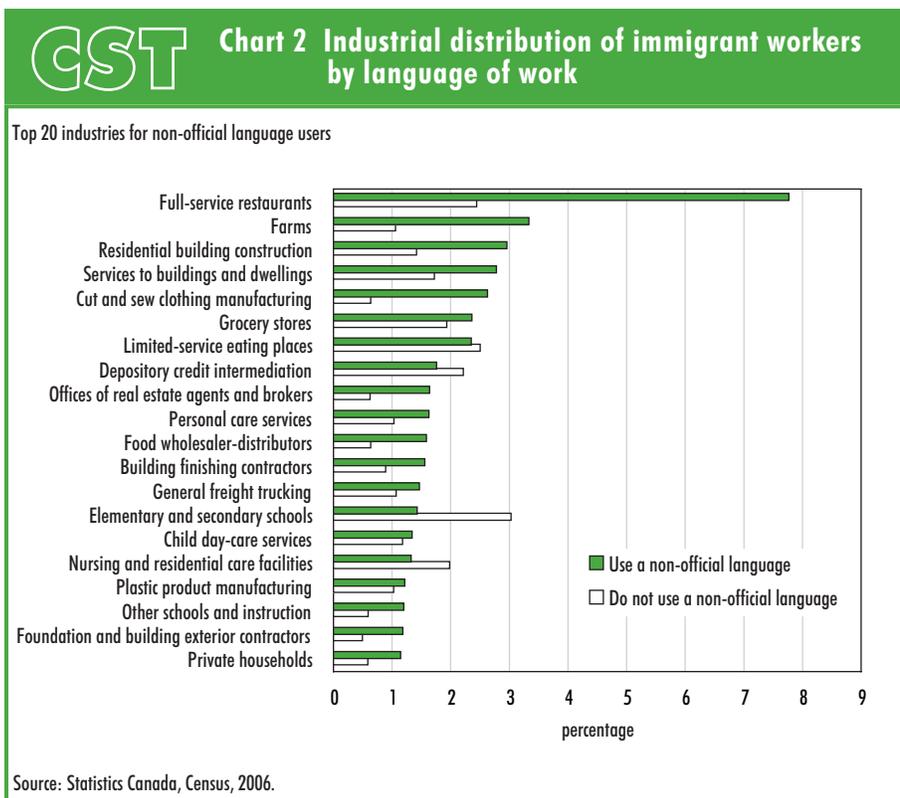
manufacturing and grocery stores. The top twenty industries include over 40% of them. Full-service restaurants and limited-service eating places together account for over 10%.

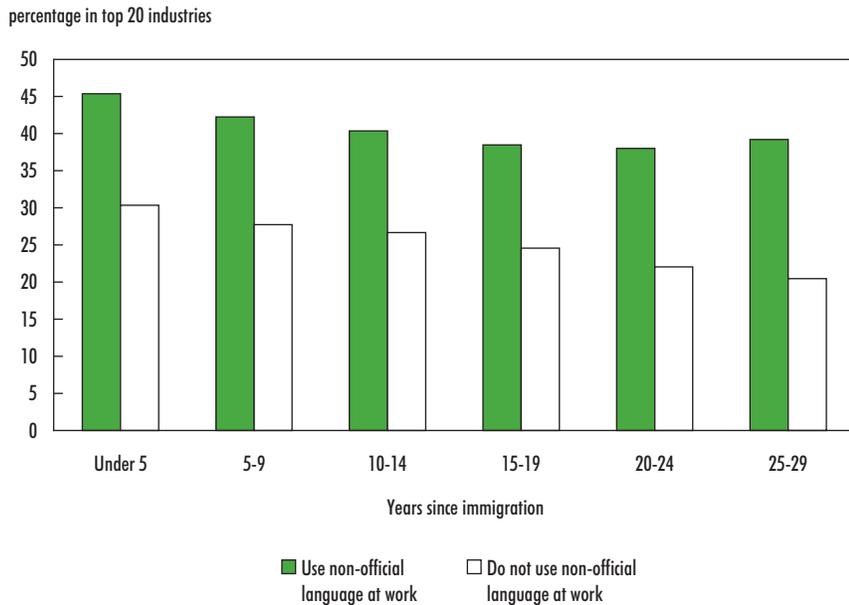
While cooks, sewing machine operators and janitors may not require highly-developed communications skills, there are a number of jobs and industries occupied by many persons using a non-official language that would seem to entail such skills. Retail and wholesale sales persons and managers, workers and managers in advertising and marketing, and real estate agents may require a good or excellent ability to communicate. Such people may hold their jobs precisely due to their ability to speak a non-official language and hence to reach growing immigrant markets. Comparatively few immigrants employed in sales, marketing or real estate speak a non-official language to the exclusion of English and French, however. They may use another language with some regularity but are also called upon to use an official tongue.

With time in Canada, immigrants appear less concentrated in industries typical of recently arrived people who work in non-official languages (Chart 3). This is especially relevant to those who do not use languages other than English or French at work. If immigrants indeed move from working in languages other than English and French to using these languages almost exclusively, they may also be moving into a wider array of industries and jobs.

Self-employment is more common for immigrants working in a non-official language than for immigrants working only in official languages

Immigrant workers who use non-official languages in their jobs tend more often to be self-employed than those who do not. In general, about 14% of immigrant workers are self-employed. Among those who use a non-official language at work, the self-employment rate is 21%. It





Source: Statistics Canada, Census, 2006.

is highest among those who use a non-official language most of the time (23%) or regularly with an official language (22%). Among those who use a non-official language exclusively it is about 15%. The rate is about 12.5% for those who do not regularly use a language other than English or French.

The proportion of immigrant workers who are self-employed and employ others is about twice as high for those who use a non-official language compared with those who do not (10.8% versus 5.4%). The rate is under 8% for those who use "only" a non-official language.

Some immigrants may set up their own businesses to serve their communities in their own languages.^{11,12} These enterprises may also provide employment within those communities. Self-employed people are in a better position to control what language they use in the workplace. However, starting a business may be easier for those who have some command of English

and French and use them some of the time.

Earnings decrease as non-official languages are used more frequently on the job

According to the 2006 Census, immigrants who used a non-official language in their job were found in low-income households^{13,14} almost twice as often as were those who did not (22% vs. 12%). Almost 30% of those who made no regular use of English or French in their work lived in low-income households.

In 2005, immigrants who regularly used a language other than English or French at work¹⁵ earned on average \$11,000 less than those who did not. Those who only used non-official languages at work earned less than half as much as those who did not regularly use one.

Even when other human capital and worker characteristics are held constant (level of education, country of education, official language ability, years in Canada, marital status, age

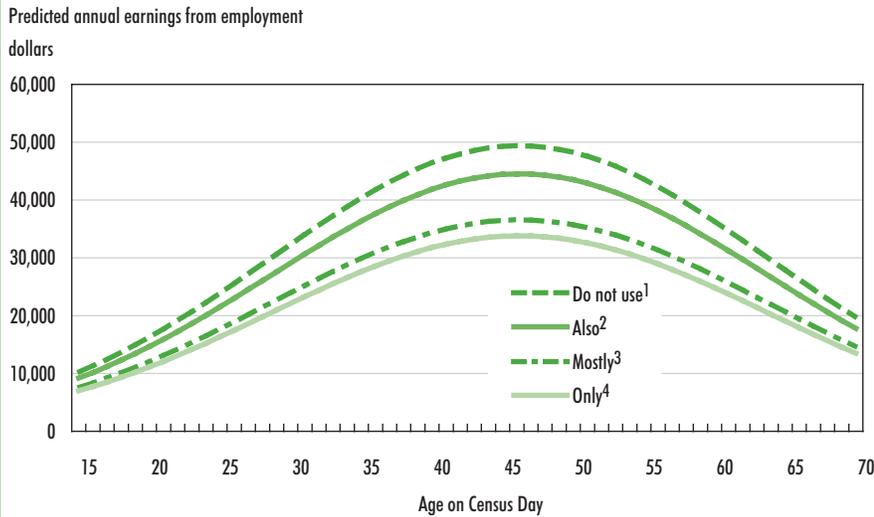
and sex), a difference between those who use non-official languages at work and those who do not persists (See Table A.1). When these factors are held constant, moreover, language of work appears to be at least as good a predictor of earnings as is official language ability¹⁶ (See "What you should know about this study" for a description of the model used to control for other factors; regression coefficients are produced in Table A.1).

Chart 4 compares 2005 employment incomes by age for immigrant workers who: 1) do not use a non-official language at work; 2) use non-official languages regularly but English or French more often; 3) use non-official languages most of the time; and 4) use them almost exclusively. Other factors are held constant. The illustration is for married males with a university degree earned outside Canada, the U.S. or Europe who can speak an official language. This comparison is limited to immigrants who arrived before 2005 and who worked and earned income in 2005. The strong effect observed for age is related to immigrants who arrive when older and lack official language skills.¹⁷

As can be seen in Chart 4, earnings decrease as non-official languages are used more frequently on the job.¹⁸ This suggests that many immigrants who work in languages other than English or French are constrained to a certain limited number of occupations and industries where they are paid less. Annual earnings do increase with time in Canada, however a gap persists between those who use and those who do not use official languages in their job (See Table A.1).

It also appears that many workers who use non-official languages on the job are not able to bring their other skills fully to bear. For instance, when other human capital and worker characteristics are held constant (as above), the premium (higher value or extra payment) earned by a 43-year-old worker with a university

Chart 4 Predicted earnings for married male immigrants 5 years in Canada with a university education obtained outside Canada, the U.S. or Europe: by use of a non-official language at work



1. Do not use a non-official language at work.
 2. Uses an official language most of the time at work, but also regularly uses a non-official language at work.
 3. Mostly uses a non-official language at work.
 4. Only uses a non-official language at work.
 Source: Statistics Canada, Census, 2006.

degree compared to one who has no such degree is over \$14,250 per year, provided they work in one of the official languages. If the worker regularly uses another language, the premium is only about \$5,800 (See Table A.2 for details).

While working in a language other than English or French seems to have negative implications for immigrant workers' earnings, linguistically-delimited markets or communities may well offer opportunities for those with limited language skills. Jobs in their mother tongue may provide a living while immigrants learn an official language and adapt their skills to the Canadian market.

Summary

Even holding other characteristics such as ability to speak in English or French, education and age equal, it seems that most immigrants who work in non-official languages are at a disadvantage with respect to other

workers. They have higher rates of unemployment, are in occupations usually requiring less formal training, earn less and are more often in low-income households. They also have less opportunity to bring their educational qualifications and other skills to bear (See interaction effect in Table A.2).

Employment in comparatively unskilled occupations and linguistically-delimited markets implies more limited opportunities for some immigrant workers. It is important to note however that for many, these occupations and markets seemingly serve as a sheltered base where newcomers earn a living as they acquire official language skills and become more accustomed to the specific requirements of the Canadian markets.

Some workers continue to use minority languages in their work for some time but most of them also use an official language. Minority

language communities may also provide openings for professionals, self-employed immigrants and immigrant business persons in the form of markets and a work force that may not be accessible to the wider business community.

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- Chiswick, B. R. (1991). Speaking, reading, and earnings among low-skilled immigrants. *Journal of Labour Economics*, 9(2), 149-170.
 Chiswick, B. R. and Miller, P. W. (2002). Immigrants earnings: language skills, linguistic concentration and the business cycle. *Journal of Population Economics*, 15(1), 31-57.
 Pendakur, K. and Pendakur, R. (2002). Language as both human capital and ethnicity. *International Migration Review*, 36, 147-177.
- In some of Canada's territories, Aboriginal languages have official status. For the purpose of this article, however, "official language" refers to Canada's official languages, English and French. Very few immigrants use Aboriginal languages.
- Chiswick, B. R. and Miller, P.W. (1988). Earnings in Canada: The role of immigrant generations, French ethnicity and language. In T.P. Schultz (Ed.), *Research in Population Economics*, 6 (pp. 183-228). Greenwich, CT: JAI.
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This article is based primarily on data collected via the 2B form in the 2006 Census of Population. It also makes use of some of the same information collected in the 2001 Census. One out of every five households in Canada receives the longer 2B form.

For each person aged 15 or over who is working or who has worked for pay or in self-employment over the current or immediately preceding calendar year, the census long form poses two questions. The questions are asked with reference to their current job, the job at which they worked the most hours (if they had more than one) or the job of longest duration if they are not working on Census Day. They are: (a) In this job, what language did this person use most often? and (b) Did this person use any other languages on a regular basis in this job? Respondents were able to check-off English or French or to specify another language.

Only immigrants who arrived before January 1st 2005 and who had positive earnings in that year are included. All persons who answer the language at work question on the census form have by definition been employed at some point in the recent past. Approximately 50,000 immigrants who lived in Canada in 2006 apparently worked outside Canada. In 2001 about 46,000 did so. These immigrants reported in the Census about jobs they held in another country. Some of them may have described a job they held before migrating, but in 2006 over three fifths of them were providing information about a job they held on Census Day. These foreign job holders span many occupations and countries of birth. Engineers, computer consultants figure prominently among them as do truck drivers and pilots. Many were born in China, the U.S., India or the UK. About half at each census said they worked in a non-official language. Because they work in a non-Canadian environment, these immigrants have been eliminated from the analysis.

Immigrants who work in Canada can be distinguished according to the extent to which they use non-official languages in their jobs. Jobs differ in the amount of communication they require, but the proportion of communication that takes place in a non-official language can be used to construct a scale.

At one end are those immigrants who "only" use non-official languages (2.8%); then those who "mostly" use non-official languages but who also use an official language with some regularity (4.2%); next are those who mostly use an official language but who "also" regularly use a non-official language (9%); and on the other end are those who "do not" use a non-official language at work with any regularity (84%).

The impact of language of work together with various kinds of human capital on annual earnings is explored using OLS regression analysis. The dependant variable is actually the natural log of earnings as this corrects for skewness in the raw measure. Quadratic terms are included along with the original terms for age and years in Canada as these effects are not linear and tend to dampen with time. Most of the other terms are dichotomies which reflect the presence or absence of a characteristic. The technique was initially pioneered by Mincer for the study of human capital (Mincer, 1974). Mincer models have been adapted by Chiswick (Chiswick, 1978, Chiswick and Miller, 1998, 2000 and 2002) to the study of labour market outcomes for immigrants and to the consideration of language skills. They have been standard in the literature on immigration.

Among the independent measures controlled for are: gender, age, years in Canada, education, marital status and location of study (or the country where each subject obtained their highest level of education). An interaction between language of work and education is also explored and is found to be significant. All the relationships discussed in the paper are significant at the .01 level and the tests of significance rely on weights which have been normalized to have a mean of one.

7. The experienced labour force consists of those workers who held a job on Census Day along with people who had been employed at some point between January 1, 2005 and May 16, 2006.
8. Wilson, K. and Portes, A. (1980). Immigrant enclaves: An analysis of the labour market experiences of Cubans in Miami. *American Journal of Sociology*, 86, 295-319.

Sanders, J. M. and Nee, V. (1987). Limits of ethnic solidarity in the enclave economy. *American Sociological Review*, 52, 745-767.

Hou, F. and Picot, G. (2002). Visible-minority neighbourhood enclaves and labour market outcomes of immigrants. In C. M. Beach, A.G. Green and J. G. Reitz (Eds.), *Canadian Immigration Policy for the 21st Century* (pp. 537-571). Kingston: John Deutsh Institute for the Study of Economic Policy, McGill-Queen's University Press.
9. Since the seminal article by Wilson and Portes in 1980, which described the experiences of Cubans in Miami, such communities or segmented markets have been referred to in the academic literature as enclaves. Enclaves consist of establishments, networks, markets and neighbourhoods where workers can function and sometimes thrive in another language. These linguistically-delimited communities or markets depend on a concentration of people who share not only a language but often an ethnic background, common experience and similar tastes.
10. Blishen, B. R., Carroll, W. K., and Moore, C. (1987). The 1981 Socio-economic index for occupations in Canada. *The Canadian Review of Sociology and Anthropology*, 24, 465-488.
11. Portes, A. and Jensen, L. (1987). What's an ethnic enclave? The case for conceptual clarity. *American Sociological Review*, 52, 768-773.

Wilson and Portes. (1980).
12. According to Portes and Jensen (1987) one of the most important benefits of an immigrant enclave is that it provides newcomers with a greater opportunity for self-employment. Our data support that contention.
13. Low-income households as per Statistics Canada's definition of Low Income Cut-offs: A family unit with income below the cut-off for its family size and urbanization classification is considered a "low income" family. Base year low income cut-offs are set where families spend 20 percentage points more of their income than the Canadian average on food, shelter and clothing. Statistics Canada low income cut-offs are not generally applied to Indian Reserves, Yukon, Northwest Territories, Nunavut (or institutional residents).
14. Statistics Canada. (1999). *Low Income Cut-offs*. Statistics Canada, Catalogue no. 13-551-XIB. Ottawa: Ministry of Industry.
15. Care must be taken in interpreting these results. The Census data is a snapshot of Canadians taken at one point in time (cross-sectional). This makes it difficult to distinguish effects that are due to changes in individual immigrants' circumstances as they adjust over time to life in Canada, from effects due to changes in the characteristics of immigrants who arrive at different times.
16. Language of work tends to overpower language ability when they are used in the same model and when they are tested separately it results in a slightly better model.
17. Age, years in Canada, and age at arrival cannot be truly disentangled from data in a single cross-section.
18. Many immigrants unable to speak English or French may have been excluded from the analysis because they held no job in 2005 or 2006 and did not answer the questions about language of work, had no occupation to report and had no earnings from employment. Some may have been unable to find employment. Others may, for instance, have been studying English or French and did not seek employment.

Table A.1 Models predicting the log of 2005 annual earnings from employment for immigrants who arrived before January 1, 2005

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
unstandardized regression coefficients						
Intercept	10.076	6.027	5.885	5.986	5.950	5.949
Use of non-official language at work (Do not)†						
Also ¹	-0.148	-0.168	-0.115	-0.117	-0.104	-0.103
Mostly	-0.418	-0.411	-0.314	-0.317	-0.303	-0.300
Only	-0.665	-0.581	-0.385	-0.386	-0.395	-0.378
Highest level of education (High school or less)†						
Some postsecondary ²		0.203	0.212	0.213	0.038	0.037
University		0.424	0.509	0.507	0.350	0.349
Age						
Age in years		0.163	0.153	0.145	0.149	0.149
Age in years squared		-0.002	-0.002	-0.002	-0.002	-0.002
Gender (Women)†						
Men		0.386	0.391	0.385	0.382	0.382
Time in Canada						
Years in Canada			0.037	0.038	0.033	0.033
Years in Canada squared			-0.0004	-0.0005	-0.0004	-0.0004
Marital status (Single, divorced or other)†						
Married or common-law				0.112	0.121	0.121
Location where highest certificate obtained (Other)†						
Canada					0.222	0.223
United Kingdom					0.214	0.214
United States					0.221	0.221
Elsewhere in Europe					0.133	0.133
Australia / New Zealand					0.374	0.374
Official language ability (English, French or both)†						
None						-0.030
Adjusted R squared	0.012	0.191	0.215	0.217	0.221	0.221

† Reference group.

1. Uses an official language most of the time at work, but **also** regularly uses a non-official language at work.
2. Some postsecondary includes registered apprenticeship or trades certificate or diploma, college, CEGEP or other non-university certificate or diploma, university, certificate or diploma below bachelor level.

Notes: R squared is a statistical measure of how well a regression line approximates real data points. It ranges between 0 and 1.

All variables are significant at $p < 0.01$.

Source: Statistics Canada, Census, 2006.

Table A.2 Model predicting the log of 2005 annual earnings from employment for immigrants who arrived before January 1, 2005, showing the interaction between language at work and education

	Model 7
	unstandardized regression coefficients
Intercept	5.939
Use of non-official language at work (No)†	
Yes	-0.137
Highest level of education (Less than university)†	
University	0.346
Age	
Age in years	0.150
Age in years squared	-0.002
Gender (Women)†	
Men	0.382
Time in Canada	
Years in Canada	0.033
Years in Canada squared	0.000
Marital status (Single, divorced or other)†	
Married or common-law	0.121
Location where highest certificate obtained (Other)†	
Canada	0.248
United Kingdom	0.213
United States	0.237
Europe elsewhere	0.158
Australia/New-Zealand	0.394
Official language ability (English and/or French)†	
None	-0.173
Interaction between non-official language at work and education	
Yes multiplied by University	-0.162
Adjusted R squared	0.220

† Reference group.

Notes: R squared is a statistical measure of how well a regression line approximates real data points. It ranges between 0 and 1.

All variables are significant at $p < 0.01$.

Source: Statistics Canada, 2006 Census.