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The Immigrant Labour Force Analysis Series The Canadian Immigrant Labour Market in 2006: First Results from Canada's Labour Force Survey



By Danielle Zietsma

Labour Statistics Division
7th floor, Jean-Talon Building, Ottawa, K1A 0T6

Telephone: 613-951-4243



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Statistics Canada
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The Immigrant Labour Force Analysis Series

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Executive summary

New results from the Labour Force Survey show immigrants had a wide array of labour market experiences, often influenced by their time since landing, where they settled, their gender, their age and also their educational attainment.

In 2006, immigrants who had been in the country for more than 10 years (established immigrants) had labour market outcomes that most closely resembled those of the Canadian born. However, immigrants who had landed since 2001 (or very recent immigrants, those who landed in Canada 5 or less years prior to 2006) had the most difficulty in the labour market in 2006, followed by those who landed between 1996 and 2001 (or recent immigrants, those who landed in Canada between 5 and 10 years prior to 2006).

Immigrants living in Alberta and Manitoba benefited from strong provincial labour markets in 2006 and had some of the best labour market outcomes of all immigrants in the country. For example, recent immigrants in Manitoba had higher employment rates than the Canadian-born in other provinces. As well, very recent immigrants in Alberta had the lowest unemployment rates among their counterparts in the other provinces. Immigrants in Quebec, however, no matter when they landed, experienced higher unemployment rates in 2006 than Canadian-born Quebecers.

The vast majority of Canada's immigrants lived in Toronto, Vancouver and Montréal in 2006. Montréal reported lower employment rates in 2006 for all residents compared to Toronto or Vancouver. Montréal's immigrants also had the most pronounced differences between their labour market outcomes and those of Canadian-born Montréalers; those living in Toronto had the least.

Immigrant youths (ages 15 to 24) had higher unemployment rates compared with Canadian-born youths, with the exception of those who had landed in Canada more than 10 years ago. This was particularly true for very recent immigrant youths. The unemployment rate for young immigrant women was much higher than that of young Canadian-born women.

Immigrant women in the 25 to 54, or 'core' working age group had much higher unemployment rates and lower employment rates than both immigrant men and Canadian-born women, regardless of how long they had been in Canada.

The unemployment and employment rates for older (age 55 and older) immigrant men who immigrated very recently were on par with Canadian-born men in the same age bracket. However, older very recent immigrant women were more likely to be unemployed compared with their Canadian-born counterparts.

In 2006, immigrants were more likely to have a university education than Canadian-born men and women. However, while Canadian-born unemployment rates were lower for progressively higher levels of education, the rates for immigrants who landed in the five previous years varied little by education. While immigrants who had been in Canada longer still had lower employment rates and higher unemployment rates than the Canadian born with the same education, the gap was narrower than that between more recent immigrants and the Canadian born.

Immigrants were more likely to work in manufacturing industries than Canadian born, as well as in professional, scientific and technical services. They were also more likely to be employed in accommodation and food service industries than those born in Canada.

In terms of occupations, immigrants who landed since 2001 were more likely to be working in sales and service and manufacturing occupations than Canadian born. Occupations in the natural and applied sciences were also more common among both very recent and recent immigrants than was the case among the Canadian born.

Section 1: Immigration – an overview

Immigration has had a profound impact on Canada's historical development, from the settling of farms in the west in the early part of the 20th century to the building of Canada's largest cities. Immigration itself has changed considerably throughout the 19th and 20th centuries and continues to do so. During the first sixty years of the 20th century, the majority of immigrants to Canada came either from Europe or the United States. This has since changed substantially with entry based on a points system and the introduction of humanitarian-based admissions. By 2006, the bulk of immigrants coming to Canada originated in Asia, most notably in China and India.

Based on results from the 2001 Census, Canada was second only to Australia in the proportion of the population born outside of the country. In 2001, 18% of the Canadian population was born outside the country compared to 22% in Australia. Immigration has been, and continues to be, a vital source of population growth in Canada. Given the ageing of the Canadian population and the declining birth rate, projections indicate that immigration could be the largest contributor to population growth in the future.

Record high employment rates, record low unemployment rates and rising wages, particularly in Western Canada, served as convincing evidence of the strong demand for an increasingly tapped out labour supply in 2006. In times of economic strength, where the labour supply is being fully utilized, immigration can play an important role since it is the labour and skills of immigrants that could fill in the gaps that are not being met by the Canadian-born labour force. Monitoring the progress of immigrants in the labour market is critical as better integration means better use of immigrants' skills, better earnings and more job satisfaction for Canada's immigrants, which will ultimately help drive Canada's economic growth.

Given the ever-increasing importance of immigration to Canada's economic success, a number of analytical articles have been written over the past few years examining the successes and difficulties faced by Canada's immigrant population. To understand the labour market experiences of immigrants, the Labour Force Survey (LFS) began to collect information, starting in January 2006, that specifically identified immigrants of working-age (those aged 15 and over) in the survey population. The LFS is now able to provide regular information on the immigrant labour market. This information will enable various levels of government, the media and the public to know, in a timely manner, how well immigrants are performing in the labour market and how well the Canadian labour market is able to utilize the skills its immigrants bring. It is worth emphasizing that if current immigration rates continue that immigration could account for virtually all net labour force growth by 2011.

Immigration data from the Labour Force Survey

Beginning in January 2006, five additional questions were added to the LFS in order to identify immigrants, to determine when they landed in Canada (year and month for those landing within the previous 5 years), the country in which they received their highest level of education (for attainment greater than high school). The questions are as follows:

In what country was...born?

Is...now, or has he/she ever been, a landed immigrant in Canada?

In what year did ... first become a landed immigrant?

In what month?

In what country did...complete his/her highest degree, certificate or diploma?

Definitions and concepts used by the Labour Force Survey

Immigrant type

Very recent immigrant: Very recent immigrants are individuals who have been landed immigrants to Canada for 5 years or less.

Recent immigrant: Recent immigrants are individuals who have been landed immigrants to Canada between 5 and 10 years.

Established immigrant: Established immigrants are individuals who have been landed immigrants to Canada more than 10 years.

Other: Persons residing in Canada who were born outside of Canada and are not landed immigrants. Examples of people in this category include temporary foreign workers, live-in caregivers, Canadian citizens born outside Canada and those with student or working visas.

Core working-age

The LFS includes those persons aged 15 and over (working-age) in its sample. However, those between the ages of 25 to 54 are defined as 'core working-age'. These individuals are more likely to have completed school and less likely to have entered retirement than those in the 15 and over group. They will be the primary focus of the analysis in this report.

Comparability with the Census of Population

When developing the immigrant questions for the LFS, care was taken to ensure that immigrant concepts and variables arising from the questions would be comparable to the Census of Population. However, since the LFS is a sample survey, the estimates are subject to more sampling variability than the Census and could therefore differ from those that will be published by the 2006 Census.

Atlantic Provinces

Due to small sample sizes for employment and unemployment and their corresponding rates, immigrants living in the Atlantic Provinces have been aggregated for the sake of analysis. An exception to this was the discussion of the share of the provincial population who were landed immigrants to Canada, where a sufficiently large sample size permitted analysis for each of the Atlantic Provinces.

This paper will present the labour market outcomes based on data collected by the Labour Force Survey in 2006 for core working-age immigrants (those aged 25 to 54), since they are more likely to have completed school and less likely to have entered retirement than those in the 15 and over group. A brief demographic profile of all immigrants will be presented followed by analysis of the labour market outcomes of core working-age immigrants nationally, by province, selected census metropolitan areas (CMA) and by sex. The labour market outcomes for immigrant youths and immigrants aged 55 and over will follow, in addition to a discussion of education-based outcomes for the core-aged immigrants, the industries in which these immigrants work, as well as their occupations.

Section 2: Immigrant demographic characteristics

According to the Labour Force Survey, in 2006, there were roughly 26.2 million people aged 15 and over in Canada (Table 1). Of this, an estimated 6 million, or 22%, were landed immigrants to Canada. Out of the total population, one in six (16%) were immigrants who had been in Canada for more than 10 years, while those landing in Canada between 5 and 10 years ago and in the last five years were roughly equal in their share of the population 15 and over (3% each).

Table 1

Population estimates, ages 15 and over, by immigrant type, 2006

	Population number	Share of population percentage
Total	26,185,000	100.0
Born in Canada	19,963,000	76.2
Total landed immigrant	5,765,000	22.0
Very recent immigrants, 5 years or less	797,000	3.0
Recent immigrants, 5 to 10 years	810,000	3.1
Established immigrants, 10 years and over	4,158,000	15.9
Other	457,000	1.7

Source: Labour Force Survey, 2006

As would be expected, very recent and recent immigrants to Canada were a much younger group than those born in Canada and those who landed in Canada more than 10 years ago (Chart 1). Nearly three out of four (73.2%) very recent immigrants and seven out of ten (70.4%) recent immigrants were between the ages of 25 and 54, compared to just over half of Canadian born (54.3%) and just under half of established immigrants (46.9%).

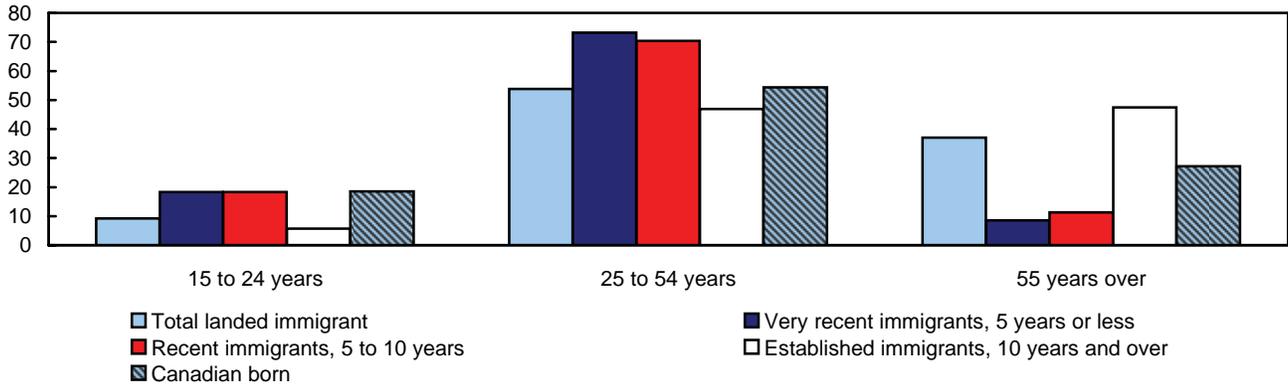
Nearly half of established immigrants were in the 55 and older age group compared to just over a quarter of Canadian born. Fewer than one-tenth of very recent immigrants and just over one-tenth (11%) of recent immigrants were in this age group in 2006.

Differences in the age structure will have an impact on the labour market outcomes of these groups. Since the three types of immigrants and Canadian born have very different age distributions, analysis of the labour market outcomes has been largely restricted to the core working-age group; those aged 25 to 54 years of age. As this group is the most likely to be actively participating in the labour market, their labour market outcomes are more telling of how well immigrants have integrated into the Canadian labour market.

In 2006, Ontario (31%) and British Columbia (28%) had the highest share of immigrants in their respective core working-age populations (Chart 2). These were the only two provinces where landed immigrants, as a percentage of the core working-age population, exceeded the national average (22%). In Alberta, immigrants made up 17% of the core working-age population. Newfoundland and Labrador had the lowest concentration of landed immigrants of all provinces, estimated at just over 1% of its core working-age population.

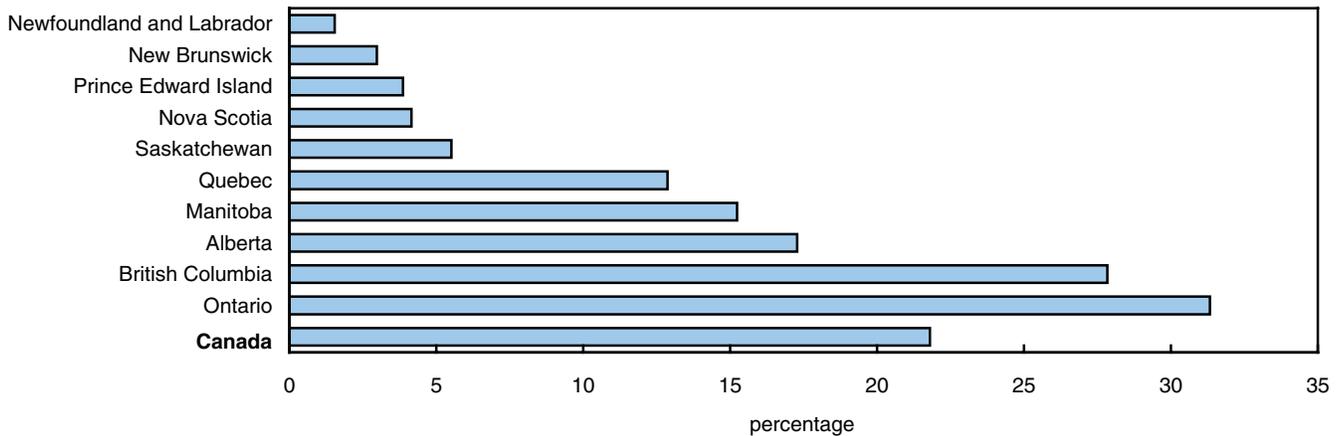
Chart 1
Share of population by age and immigrant type, 2006

percentage



Source: Labour Force Survey, 2006

Chart 2
Share of immigrants in population aged 25 to 54, by province, 2006



Source: Labour Force Survey, 2006

In 2006, 60.5% of the Canadian-born core working-age population lived in urban areas (CMAs). Landed immigrants, however, were far more likely to settle in urban areas, with an estimated nine out of 10 (91.6%) core working-age landed immigrants residing in a CMA. In fact, the three largest urban destinations for immigrants (Toronto, Vancouver and Montréal) accounted for nearly two-thirds (67.9%) of all Canada's core working-age immigrants; Ottawa-Gatineau and Calgary were the next most popular destinations for immigrants.

Section 3: Established immigrants in the labour force

Experiences of established immigrants similar to that of Canadian born

On the whole, those immigrants who had landed in Canada prior to 1996 (referred to as 'established immigrants') had similar labour market outcomes to the Canadian-born population in 2006. The employment rate for established immigrants in the core working-age group was 82.1%, and not significantly different from the employment rate of the Canadian born. Unemployment rates between these two groups were also not significantly different; 4.9% among the Canadian born and 5.0% among established immigrants.

Labour market Indicators from the Labour Force Survey

The LFS produces a number of indicators that are used to monitor the labour market in Canada. Below are the definitions for indicators that are frequently referred to in this report.

Employment: Employed persons are those who, during the reference week, did any work for pay or profit, or had a job and were absent from work.

Unemployment: Unemployed persons are those who, during the reference week, were available for work and were either on temporary layoff, had looked for work in the past four weeks or had a job to start within the next four weeks.

Labour force: Civilian non-institutional population 15 years of age and over who, during the survey reference week, were employed or unemployed.

Unemployment rate: The unemployment rate for a particular group is the number of unemployed in that group expressed as a percentage of the labour force for that group.

Employment rate: The employment rate for a particular group is the number of employed in that group expressed as a percentage of the population for that group.

Participation rate: The participation rate for a particular group is the labour force in that group expressed as a percentage of the population in that group.

The same was true of most provinces, with the employment and unemployment rates of established immigrants differing very little, if at all, from those of the Canadian born. There were two notable exceptions. In 2006, established core working-age immigrants in Quebec had an unemployment rate significantly higher than their Canadian-born counterparts (9.2% vs. 6.3%). On the other hand, established core working-age immigrants living in Atlantic Canada actually had substantially lower unemployment rates than their Canadian-born counterparts. In 2006, the unemployment rate among established immigrants was 4.1%, much lower than that of Canadian born in Atlantic Canada, at 8.9%.

Established immigrant men had comparable labour market experiences to Canadian-born men. Among the women, while 79.6% of Canadian-born core working-age women were employed, the rate was slightly lower for established immigrant women (76.4%). However, the unemployment rates for Canadian born and established immigrant women were similar (4.6% vs. 5.3%, respectively).

In 2006, unemployment and employment rates differed little between established immigrants and Canadian born with high school diplomas or some post-secondary education. However, core working-age established immigrants with university degrees had a slightly lower employment rate compared with the Canadian born rate (87.3% vs. 90.5%) and a slightly higher unemployment rate (3.6% vs. 2.8%). The reverse was true among those without a high school diploma: 69.0% employment rate for established immigrants vs. 64.3% for Canadian born, and a 7.8% unemployment rate for established immigrants vs. 10.2% for Canadian born.

Labour market outcomes for established immigrant youths (aged 15 to 24) were only slightly different from those of Canadian-born youths. The unemployment rates for both youth groups were not significantly different (12.8% vs. 11.2%). The employment rate for established immigrant youths was 55.0%, compared with 60.8% for Canadian-born youths. However, established immigrant youths were much more likely to be attending school, with 65% attending school in 2006 compared to 55% of Canadian-born youths.

In most instances, established immigrants and Canadian born had similar proportions of employment by industry and occupation type. Some exceptions included higher proportions of established immigrants employed in manufacturing compared to Canadian born, while lower proportions were employed in public administration, trade and natural resources.

Because many of the labour market characteristics for the Canadian born and established immigrants were similar, which is likely a reflection of their integration into the Canadian labour market over time, the majority of the following analysis in this report is focused on comparing more recent immigrants with the Canadian born.

Table 2

Selected labour force characteristics, ages 25 to 54, established immigrants, 2006

	Established immigrants, 10 years and over		Born in Canada
		percentage	
Unemployment rate	5.0		4.9
Participation rate	86.4*		87.4
Employment rate	82.1*		83.1

* Significantly different from the respective Canadian-born value (p<.05).

Source: Labour Force Survey, 2006

Section 4: Immigrant labour market outcomes, Canada

Immigrants who came recently not yet established in the labour market

While labour force participation rates among very recent (73.9%) and recent core-aged immigrants (81.6%) were lower compared to those of the Canadian born (87.4%), a number of possible explanations for this exist. For example, many newcomers may need time to adjust to their new life in Canada, to obtain credential recognition; or they may take time to retrain or to go back to school, to name a few. This lower participation can ultimately impact, in particular, the employment rates observed among very recent and recent immigrants. In 2006, the employment rate for very recent immigrants in the core working-age group was lower than for the Canadian-born population. While an estimated 83.1% of the Canadian born were working, only 65.4% of very recent immigrants and 75.7% of recent immigrants were employed (Table 3).

Table 3

Selected labour force characteristics, ages 25 to 54, by immigrant type, 2006

	Very recent immigrants, 5 years or less	Recent immigrants, 5 to 10 years	Born in Canada
		percentage	
Unemployment rate	11.5*	7.3*	4.9
Participation rate	73.9*	81.6*	87.4
Employment rate	65.4*	75.7*	83.1

* Significantly different from the respective Canadian-born value ($p < .05$).

Source: Labour Force Survey, 2006

At the same time, the unemployment rate for very recent immigrants (11.5%) was more than double the rate for the Canadian-born population (4.9%). The unemployment rate for recent immigrants (7.3%), while lower than that of very recent immigrants, was still higher than the rate for the Canadian born.

Many factors could have contributed to higher unemployment rates for immigrants. When the 2003 Longitudinal Survey of Immigrants to Canada (LSIC, Wave 2) asked recent immigrants (aged 25 to 44) to identify the most serious difficulty in the labour market, they cited lack of Canadian work experience (26%), lack of recognition of foreign credentials or work experience (21%) and language barriers (15%) as the most serious problem. These barriers have been cited in other Canadian immigrant research publications.

Section 5: Immigrant labour market outcomes, provinces and regions

In most provinces, the employment rate among the immigrant population (aged 25 to 54) lagged behind that of their Canadian-born counterparts in 2006. At the same time, their unemployment rates were also higher. Nevertheless, the gaps between immigrants and the Canadian born tended to narrow with the passage of time since landing in Canada. These gaps were narrowest in Alberta and Manitoba and widest in Quebec. Atlantic Canada immigrants had some favourable outcomes also worth noting.

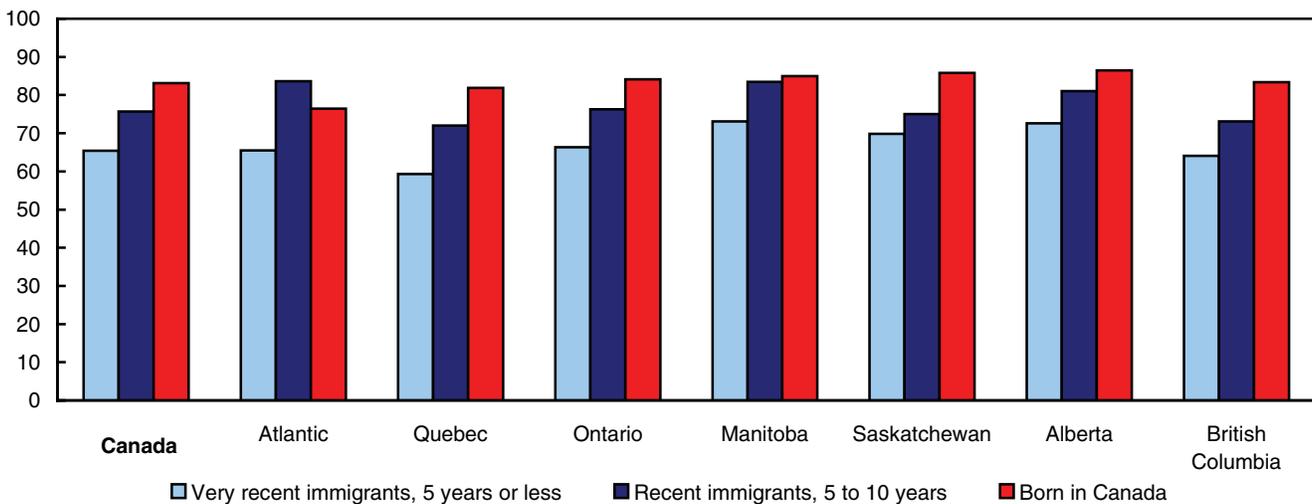
Immigrants benefited from high labour demand in Alberta

In 2006, the employment rate for Canadian born in the core working-age in Alberta was the highest (86.5%) of all the provincial employment rates for this group (Chart 3). Among immigrants, those living in Alberta also had relatively high employment rates, regardless of time since landing. The employment rate for very recent immigrants was among the highest in the country (second only to Manitoba) and well above their national average. This is likely a reflection of the strong demand for labour in the province in 2006. Recent immigrants in Alberta also had employment rates well above their national average.

Chart 3

Employment rates, by immigrant type, ages 25 to 54, 2006

percentage



Source: Labour Force Survey, 2006

Very recent immigrants in Alberta had an unemployment rate of just 5.8% (Table 4) — less than half the national unemployment rate for very recent immigrants (11.5%), but still twice that of Canadian born Albertans. This seems to indicate that even if very recent immigrants are living in strong labour markets, they can still face obstacles in their initial labour market integration.

Recent immigrants in Alberta, however, had an unemployment rate that was not significantly different from the Canadian-born rate in the province.

Manitoba immigrants fared well in the labour force

Like the Canadian born, immigrants living in Manitoba had high employment rates compared to those elsewhere in Canada in 2006. Very recent immigrants in Manitoba had the highest employment rate of all very recent immigrants. In addition, the unemployment rate for very recent immigrants in Manitoba was just 6.8%, the second lowest unemployment rate for very recent immigrants in the country. These results may be influenced, in part, by their Provincial Nominee Program, which matches skilled workers to employment before landing, in addition to recruiting business immigrants. In 2006, Manitoba received 50% of all provincial nominees who came to Canada.

Table 4

Unemployment rates by immigrant type, population aged 25 to 54, by province and region, 2006

	Born in Canada	Very recent immigrants, 5 years or less	Recent immigrants, 5 to 10 years
	percentage		
Canada	4.9	11.5*	7.3
Atlantic	8.9	F	F
Quebec	6.3	17.8*	13.4*
Ontario	4.4	11.0*	7.0
Manitoba	3.2	6.8 ^{E*}	F
Saskatchewan	3.7	F*	F
Alberta	2.6	5.8*	4.7
British Columbia	3.7	9.5*	5.1

F too unreliable to be published (data unreliable: suppressed due to CD>33.3% and/or very small estimates.)

E use with caution (coefficient of variation (CV) between 16.5% AMD 33.3%; interpret with caution.)

* Significantly different from the respective Canadian-born value (p<.05).

Source: Labour Force Survey, 2006

Immigrants living in Quebec had difficulty finding work

In 2006, regardless of time since landing, employment rates among core working-age immigrants living in Quebec were substantially lower than their respective national averages. Very recent immigrants in Quebec had the lowest employment rate of all very recent immigrants in Canada (59.3%), trailing the national employment rate for very recent immigrants by 6.1 percentage points (Chart 3).

Immigrants in Quebec also had the largest gaps between their employment rates and the employment rates of Canadian-born Quebecers. In 2006, very recent immigrants living in Quebec had an employment rate 22.6 percentage points below Canadian-born Quebecers; however, the gap was narrower for recent immigrants (9.9 percentage points).

Unemployment rates for immigrants living in Quebec were well above their national averages and also significantly higher than for immigrants in any other province. For very recent immigrants, the unemployment rate in Quebec was an estimated 17.8% in 2006 (Table 3). This was nearly three times as large as the Canadian-born unemployment rate in Quebec (6.3%). For recent immigrants, the unemployment rate was still more than double the Canadian-born rate in Quebec (13.4% vs. 6.3%).

Research has indicated that many Canadian immigrants aged 25 to 44 who landed in 2000/01 and had not yet entered the labour force by 2003 had not done so because they were either attending school (39%) or taking care of their families or households (47%). Quebec reported the highest rate of all provinces where immigrants were attending school instead of entering the labour force (60%). This may explain some of the employment rate gaps between Quebec immigrants and the Canadian born in the province, but is less telling about the unemployment rate gaps. Another factor that could explain higher unemployment rates among immigrants in Quebec could be related to the countries of birth of immigrants living in Quebec compared to other provinces. This topic will be discussed in a subsequent report on the immigrant labour market.

Strong labour market performance among immigrants in Atlantic Canada

In 2006, an estimated 65,800 landed immigrants were living in Atlantic Canada, almost half of whom were in the core working-age group. These immigrants had strong labour market outcomes. Compared to other provinces, very recent immigrants, aged 25 to 54, living in Atlantic Canada lagged behind their Canadian-born counterparts by the least, with an employment rate gap of about eleven percentage points (Chart 3). Further, recent immigrants in Atlantic Canada had a substantially higher employment rate (83.6%) compared to the rates for both the very recent immigrants (65.5%) and the Canadian born (76.4%) living in the region.

Lackluster labour market outcomes for the two largest provincial immigrant destinations

As mentioned in Section 1, Ontario was Canada's largest provincial destination for immigrants. Despite its popularity, Ontario's core working-age very recent and recent immigrants had employment rates that were significantly lower than Canadian-born Ontario residents in 2006 (Chart 3). In addition, very recent immigrants, aged 25 to 54, in Ontario had an unemployment rate that was 2.5 times that of Canadian-born Ontarians (11.0% vs. 4.4%).

British Columbia, Canada's second-most popular immigrant destination, had similar results to Ontario in 2006 with lower employment rates for very recent and recent immigrants. Likewise, unemployment rates for very recent immigrants were about 2.6 times the rate for Canadian-born British Columbians.

Section 6: Immigrant labour market outcomes, Census Metropolitan Areas

The vast majority of immigrants settle in urban areas, particularly in Canada's largest cities (Toronto, Vancouver and Montréal, also known as the "Big Three"). Since most of Canada's population lives in urban areas, CMA labour market outcomes tend to have the same pattern as their respective provincial outcomes.

This section presents data on 11 selected CMAs; the "Big Three" as well as eight mid-sized cities across Canada.

Toronto immigrants had highest employment rates of "Big Three" CMA's

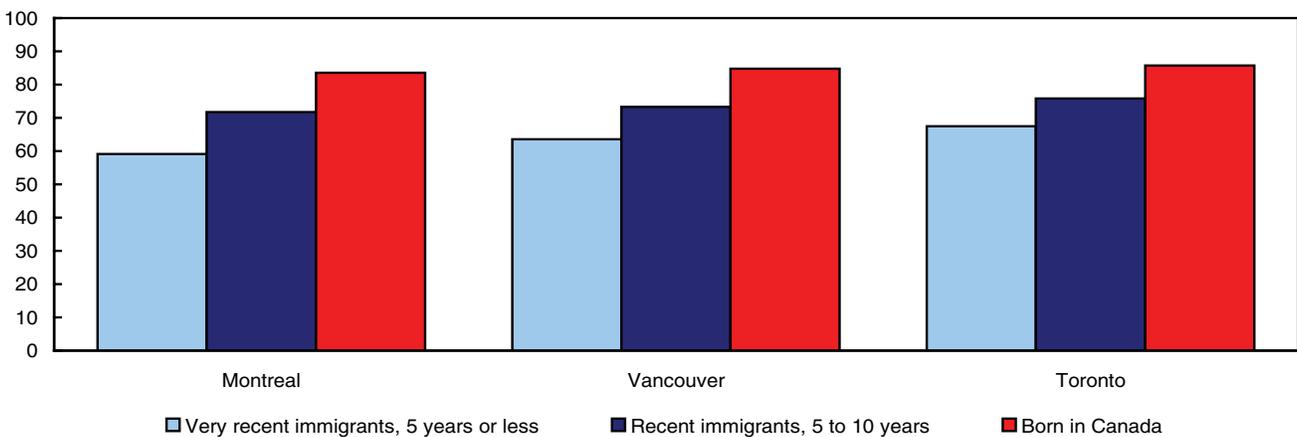
Core working-age immigrants living in Toronto and Vancouver areas had slightly better labour market outcomes in 2006 than immigrants living in the Montréal area, with higher employment rates (Chart 4) and lower unemployment rates (Chart 5). However, the Canadian born living in Toronto and Vancouver also had higher employment rates and lower unemployment rates than did the Canadian born living in Montréal, suggesting a stronger job market in 2006 in Toronto and Vancouver.

Very recent immigrants living in Toronto were the most likely to be employed of the three large CMAs with an employment rate of 67.5%. In Vancouver, the employment rate was 63.6%, while Montréal's rate was 59.1%. Very recent and recent immigrants in Toronto had the smallest gaps in the shares of their core working-age populations who were employed compared to the Canadian born in the city. In Vancouver, this gap was slightly larger than in Toronto, while it was even larger still in Montréal.

Chart 4

Employment rates by immigrant type, population aged 25 to 54, Big Three CMAs, 2006

percentage

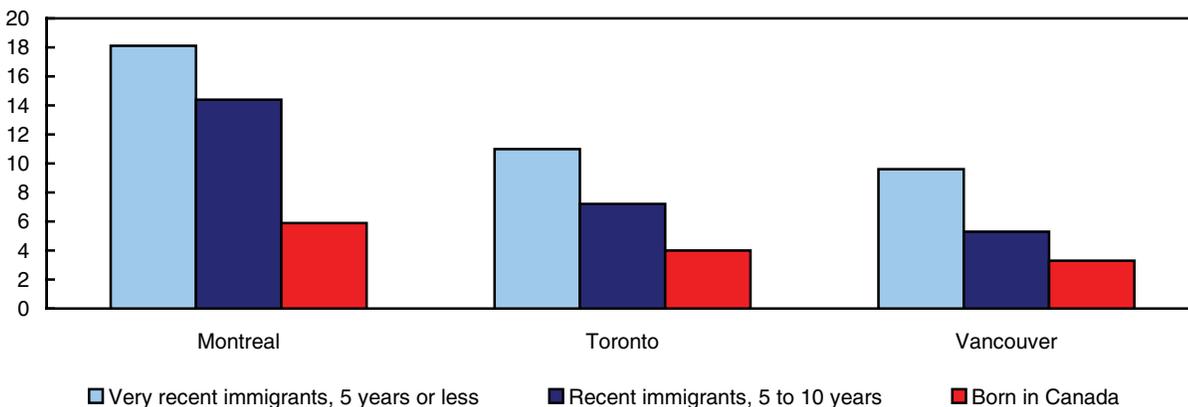


Source: Labour Force Survey, 2006

Chart 5

Unemployment rates by immigrant type, population aged 25 to 54, Big Three CMAs, 2006

percentage



Source: Labour Force Survey, 2006

Core working-age immigrants living in Montréal had much higher unemployment rates than their Canadian-born counterparts in Montréal. While Canadian-born Montréalers had an unemployment rate of 5.9%, very recent immigrants had an unemployment rate more than three times as high at 18.1% (Chart 5). Similarly, very recent immigrants in Toronto and Vancouver also faced unemployment rates that were close to three times the rates experienced by the Canadian born in their cities. Again, these higher unemployment rates could be a reflection of the difficulties encountered by very recent immigrants in the initial phases of their settlement in Canada.

Calgary's employment rate for non-immigrants and immigrants comparable

(Note that for the following mid-sized CMAs, the sample size of the unemployed in most of these cities was too small, to be statistically reliable. As a result, we were unable to discuss these rates.)

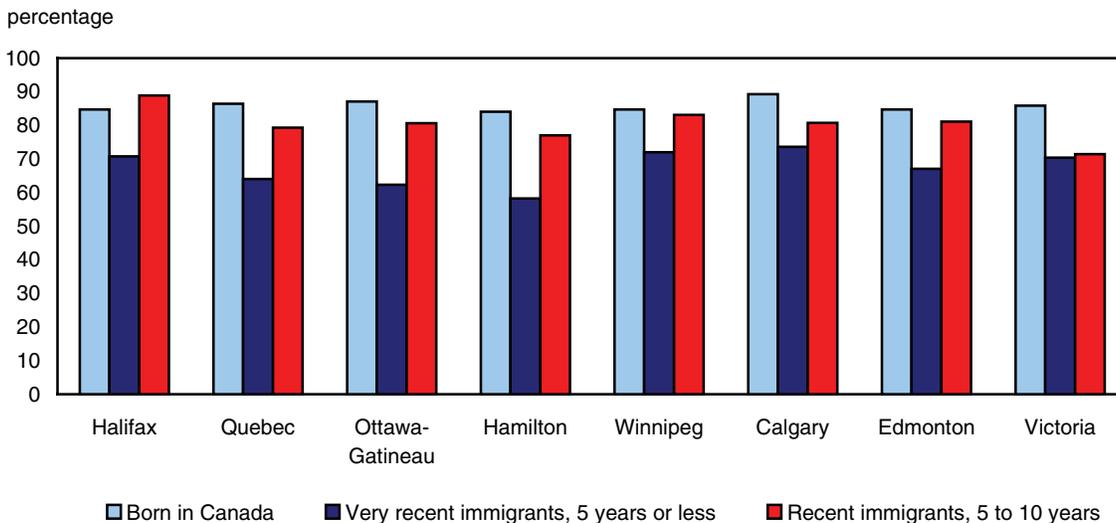
Calgary's hot labour market benefited immigrants and Canadian born alike in 2006. Canadian-born core working-age Calgarians had the highest employment rate (89.3%) of all the eight selected mid-sized CMAs (Chart 6). The strong demand for labour in 2006 was particularly visible among the city's very recent immigrants, who demonstrated a large degree of success in finding employment. These immigrants, like Canadian-born Calgarians, had a very high employment rate (73.6%) compared with the seven other mid-sized CMAs.

Hamilton's very recent immigrant employment rate lowest among eight mid-sized cities

Very recent immigrants who settled in Hamilton had the lowest employment rate (58.3%) among the group of eight mid-sized cities in 2006 (Chart 6). Even core working-age immigrants in Hamilton who landed 5 to 10 years before were not faring as well in the labour market as recent immigrants in some other mid-sized CMAs.

Chart 6

Employment rates, ages 25 to 54, selected Census Metropolitan Areas, 2006



Source: Labour Force Survey, 2006

Employment rates strong for Halifax, Winnipeg recent immigrants

Halifax is home to the lion's share of Atlantic Canada's immigrants. Core working-age recent immigrants (those who landed between 5 and 10 years prior to 2006) in the Halifax area fared very well in the labour market, with 88.9% of them employed, higher than that of Canadian-born Haligonians (84.7%). Their employment rate ranked among the highest of the 11 CMAs in this analysis.

Recent immigrants living in Winnipeg also had a very high employment rate (83.1%), ranking among the highest of the 11 CMAs in this analysis. Furthermore, of these eight mid-sized cities, the gap between the employment rate for very recent immigrants in Winnipeg and that of fellow Canadian-born city dwellers was the narrowest of all mid-sized CMAs, at just 12.7 percentage points.

Section 7: Immigrant labour market outcomes, by sex

Better labour market outcomes for immigrant men than immigrant women

As can be seen in Table 5, core working-age immigrant men and women experienced different labour market outcomes. Very recent immigrant men had a more favourable labour market experience compared to very recent immigrant women. In 2006, 13.0% of very recent immigrant women were in search of work, compared with 10.3% of very recent immigrant men. Furthermore, the unemployment rate of very recent immigrant women was almost three times that of Canadian-born women. By comparison, the unemployment rate of very recent immigrant men was about twice the unemployment rate for Canadian-born men.

Table 5

Labour force characteristics, core working age adults aged 25 to 54, by sex and immigrant type, 2006

	Unemployment rate	Employment rate
	percentage	
Men		
Born in Canada	5.2	86.6
Very recent immigrants, 5 years or less	10.3*	77.6*
Recent immigrants, 5 to 10 years	5.5	87.7
Women		
Born in Canada	4.6	79.6
Very recent immigrants, 5 years or less	13.0*	54.6*
Recent immigrants, 5 to 10 years	9.3*	64.8*

* Significantly different from the respective Canadian-born value ($p < .05$).

Source: Labour Force Survey, 2006

While recent immigrant men and women had more success in the labour market compared with very recent immigrants, both recent and very recent immigrant women had more difficulty finding work in 2006 than did their male counterparts. Compared to 9.3% of recent immigrant women who were searching for work, this chart was only 5.5% for recent immigrant men. Furthermore, the employment rate for recent immigrant women (64.8%) was significantly below that of Canadian-born women (79.6%). The employment rate for recent immigrant men, however, was not significantly different from Canadian-born men.

It should be noted that lower employment rates for very recent and recent immigrant women compared to their Canadian-born counterparts could have been jointly driven by the fact that immigrant women were less likely to participate in the labour force, as well as the fact that those immigrant women who were participating, had far more difficulty securing a job.

Section 8: Immigrant labour market outcomes, selected age-sex groups

Young immigrant women struggled in the labour market

Very recent immigrant youths aged 15 to 24, had much more difficulty in the labour market than their Canadian-born counterparts. The unemployment rate for very recently-landed youths was 17.2% in 2006, well above the unemployment rate for Canadian-born youths (11.2%) (Table 6). Those who had landed in Canada between 5 and 10 years prior to 2006 had an unemployment rate of 15.8%, which is still significantly higher than that of Canadian-born youths.

However, upon a more in-depth examination of the youth labour market by sex, it appears that immigrant males did not have the same labour market experience in 2006 as immigrant females. More specifically, while the employment rates for both very recent and recent immigrant male youths were much lower than that of the Canadian-born male youths (43.0% and 43.9% vs. 59.7%), male immigrant youths did not have a significantly different unemployment rate compared to their Canadian-born counterparts in 2006 (Table 6). For females, however, both very recent and recent female immigrant youths had much higher unemployment rates and much lower employment rates than their Canadian-born counterparts.

Table 6

Labour force characteristics of youth aged 15 to 24, by sex and immigrant type, 2006

	Unemployment rate	Employment rate
		percentage
Both sexes		
Born in Canada	11.2	60.8
Very recent immigrants, 5 years or less	17.2*	39.5*
Recent immigrants, 5 to 10 years	15.8*	46.4*
Men		
Born in Canada	12.7	59.7
Very recent immigrants, 5 years or less	14.8	43.0*
Recent immigrants, 5 to 10 years	16.1	43.9*
Women		
Born in Canada	9.8	61.9
Very recent immigrants, 5 years or less	19.9*	35.8*
Recent immigrants, 5 to 10 years	15.4*	49.4*

* Significantly different from the respective Canadian-born value ($p < .05$).

Source: Labour Force Survey, 2006

Older immigrant women had difficulty finding work

In 2006, immigrants aged 55 and over who landed in Canada within the previous 10 years had rates of unemployment that were significantly higher than that of the Canadian born aged 55 and over (Table 7). Employment rates of older immigrants and the Canadian born did not significantly differ.

While immigrant men aged 55 and over had labour market experiences that were not significantly different from those of older Canadian-born men, older immigrant women had a much harder time finding work (Table 7).

This was similar to the experience of women in the core working-age group. More specifically, older immigrant women were far less likely to be employed and far more likely to be looking for work than their Canadian-born counterparts. In 2006, older very recent immigrant women had an employment rate of 19.1% compared to 24.7% for Canadian-born women of the same age range. Furthermore, very recent older immigrant women had an unemployment rate of 20.2%, more than four times the rate among Canadian-born women in the same age group.

The employment rate for recent older immigrant women did not vary significantly from that of older Canadian-born women in 2006.

Table 7**Labour force characteristics of adults aged 55 and over, by sex and immigrant type, 2006**

	Unemployment rate	Employment rate
	percentage	
Both sexes		
Born in Canada	5.1	30.5
Very recent immigrants, 5 years or less	15.4 ^{E*}	27.5
Recent immigrants, 5 to 10 years	12.3 ^{E*}	31.3
Men		
Born in Canada	5.2	37.2
Very recent immigrants, 5 years or less	12.1 ^E	37.4
Recent immigrants, 5 to 10 years	12.7 ^E	41.5
Women		
Born in Canada	4.8	24.7
Very recent immigrants, 5 years or less	20.2 ^{E*}	19.1 [*]
Recent immigrants, 5 to 10 years	F [*]	22.2

F too unreliable to be published (data unreliable: suppressed due to CD>33.3% and/or very small estimates.)

^E use with caution (coefficient of variation (CV) between 16.5% AMD 33.3%; interpret with caution.)

* Significantly different from the respective Canadian-born value (p<.05).

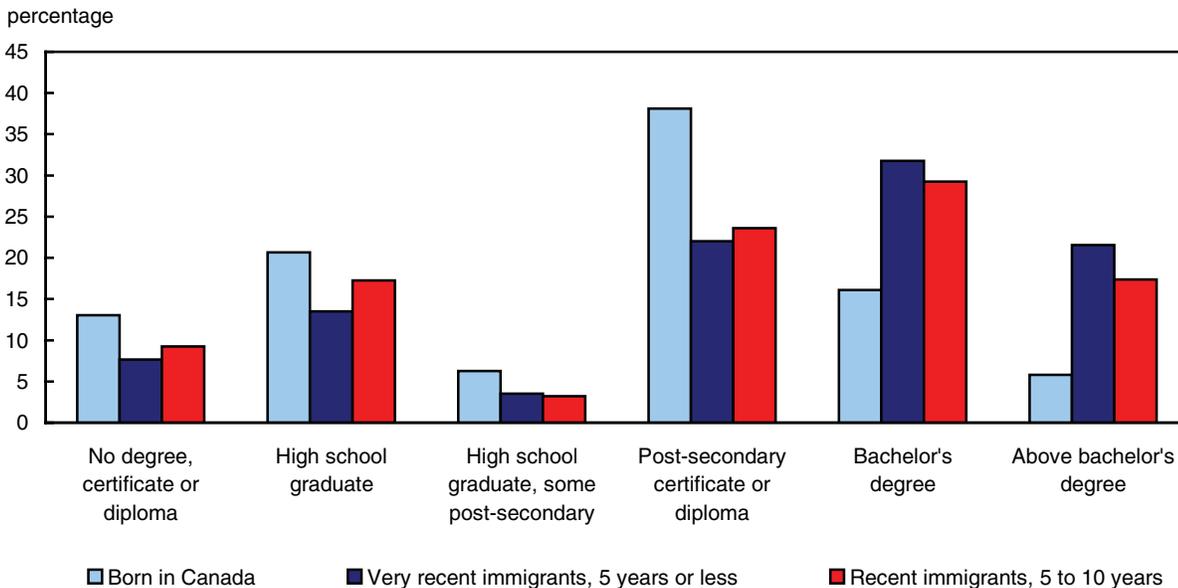
Source: Labour Force Survey, 2006

Section 9: Immigrant labour market outcomes, by educational attainment

Immigrants much more likely to have a university education

On average, landed immigrants to Canada between the ages of 25 and 54 had higher educational levels than did those born in Canada. In 2006, very recent immigrants were more than twice as likely as Canadian born to have a university degree. More specifically, almost a third (31.8%) of very recent immigrants had at least a bachelor's degree in 2006 compared to one-sixth (16.1%) of Canadian born. Furthermore, another one in five very recent immigrants had a graduate degree compared to just over one in twenty Canadian born (Chart 7).

Chart 7
Share of highest level of education, ages 25 to 54, by immigrant type, 2006



Source: Labour Force Survey, 2006

Higher unemployment rates for university-educated immigrants

The type of employment that immigrants find affects not only their earnings and their financial security, but may also affect their satisfaction with life in Canada. Even the most educated immigrants can face difficulties upon landing in Canada such as language barriers and lack of foreign credential recognition and Canadian work experience; these difficulties are often reflected in their labour market outcomes.

In 2006, very recent immigrants (aged 25 to 54) faced the most difficulties in the labour market, regardless of their level of education. While unemployment rates for the Canadian born declined as educational attainment increased, for very recent immigrants, their unemployment rates actually changed little with higher educational attainment. For example, very recent immigrants with bachelor's degrees had an unemployment rate that was almost four times the unemployment rate for the university-educated Canadian born (11.4% vs. 2.9%) (Table 8). The unemployment rate for very recent immigrants with a graduate degree increased further still to 12.4% compared to 2.4% for Canadian born. This higher unemployment rate may have been partially influenced by a desire of these highly-educated immigrants to continue their job search until they find a job that will make use of their skills. However, further research on this issue is required.

In 2006, recent immigrants had far less difficulty obtaining employment with just 6.8% of those with bachelor degrees in search of work – although this was still higher than the Canadian-born rate. The proportion of recent immigrants with a post-secondary certificate or diploma who were looking for work was no different from that of Canadian born with the same level of education.

Regardless of education level, both very recent and recent immigrants had employment rates that were significantly lower than those for the Canadian born in 2006. Very recent immigrants with either high school graduation, or a bachelor's degree experienced the largest gap between their employment rates compared to their Canadian-born counterparts, each trailing the associated Canadian-born rate by 24 percentage points. Among recent immigrants, the largest gap was for those with only a high school graduation (67.8% vs. 81.5%, or a 13.7 percentage point gap).

Table 8**Labour force characteristics by educational attainment, ages 25 to 54, by immigrant type, 2006**

	Born in Canada	Very recent immigrants, 5 years or less	Recent immigrants, 5 to 10 years
	percentage		
Unemployment rate			
No degree, certificate or diploma	10.2	12.9*	14.5*
High school graduate	5.0	13.1*	9.2*
Post-secondary certificate or diploma	4.6	10.0*	5.4
University degree	2.8	11.8*	6.3*
Bachelor's degree	2.9	11.4*	6.8*
Above bachelor's degree	2.4	12.4*	5.6*
Employment rate			
No degree, certificate or diploma	64.3	48.4*	54.5*
High school graduate	81.5	57.5*	67.8*
Post-secondary certificate or diploma	86.7	70.0*	79.9*
University degree	90.5	68.0*	80.9*
Bachelor's degree	89.9	65.9*	78.6*
Above bachelor's degree	92.1	71.1*	84.7*

* Significantly different from the respective Canadian-born value ($p < .05$).

Source: Labour Force Survey, 2006

Section 10: Immigrant employment, by industry

Manufacturing employment more common among immigrants

The manufacturing sector was the biggest employer of immigrants in 2006, regardless of how long ago they had landed in Canada. In 2006, 20.1% of recent immigrants worked in the manufacturing industry compared to 13.0% of Canadian born (Chart 8). The share of very recent immigrants in this industry was also higher than the Canadian born, at 19.6%. Furthermore, weakness in this industry since the end of 2002 may have resulted in job losses among immigrants, particularly in Central Canada, where the employment declines have been the most pronounced.

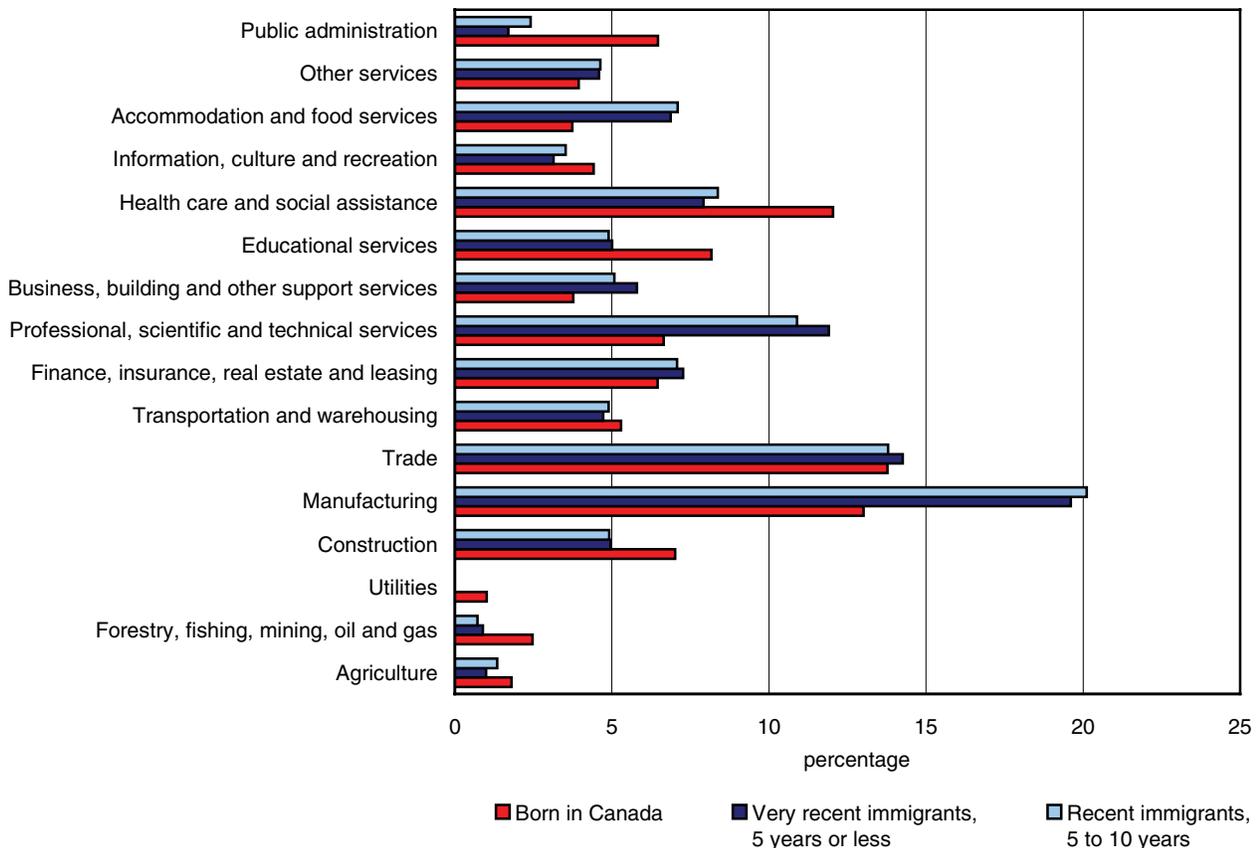
In 2006, the biggest employer of the core working-age Canadian born was the trade industry, with a 13.8% share. This industry was also the second-largest employer of immigrants, regardless of time since landing.

Both very recent and recent immigrants were also more likely to be working in professional, scientific and technical services than the Canadian born. In 2006, the share of very recent immigrant employment in this industry was 11.9%, followed by 10.9% for recent immigrants, compared to 6.7% of the Canadian born.

Immigrants were also more represented in the accommodation and food services industry than Canadian born. While 3.7% of Canadian born of core working-age were working in the industry, 6.9% of very recent and 7.1% recent immigrants were employed there.

Chart 8

Employment shares by industry and immigrant type, population aged 25 to 54, 2006



Note: Employment for Utilities suppressed for immigrants due to very small sample sizes for immigrants employed in the industry. Also, the coefficients of variation (CV) for immigrants (very recent or recent) in public administration and for very recent immigrants in the agriculture industry are between 16.5% and 33.3%; interpret with caution.

Source: Labour Force Survey, 2006

Section 11: Immigrant employment, by occupation

Very recent immigrants working in sales and service occupations

Sales and service jobs were the most widely-held occupations in Canada for immigrants and among the most widely held by Canadian born in 2006. However, very recent immigrants were comparatively over-represented in these occupations. While the share of Canadian born working in sales and service occupations was 18.4%, the share of very recent immigrants was higher at 23.3% (Chart 9).

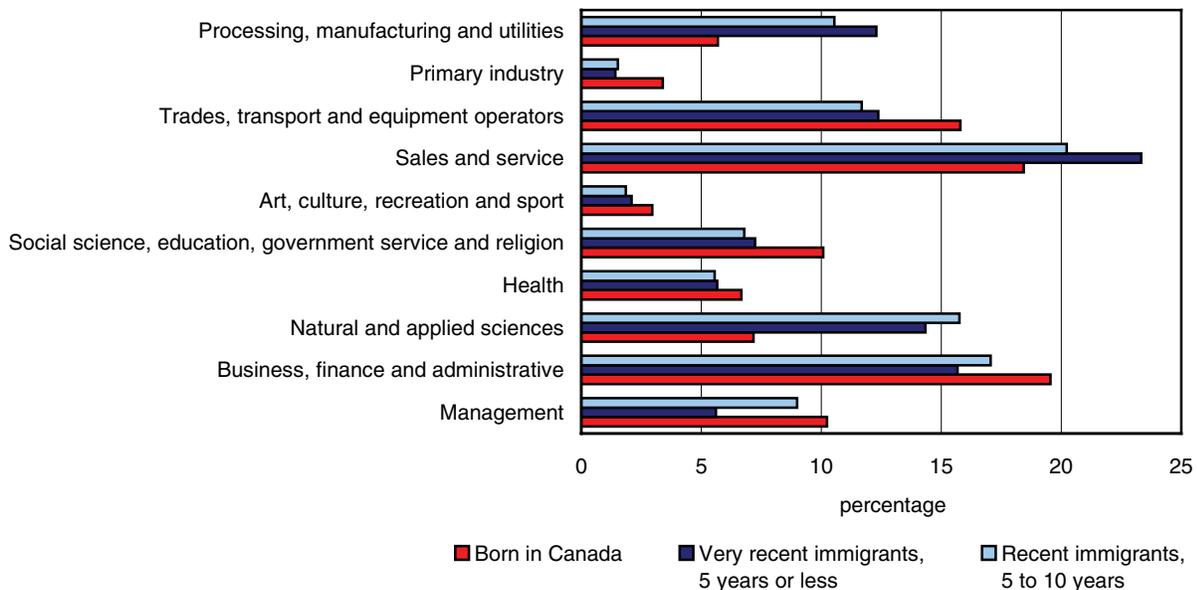
Business, finance and administrative occupations were the most widely held occupations by Canadian born and the second among immigrants. In 2006, there was a smaller proportion of very recent immigrants working in these occupations (15.7%) compared to the Canadian born (19.5%).

There were also notable differences in the proportion of immigrants working in occupations unique to processing, manufacturing and utilities compared to the Canadian born. In 2006, while 12.3% of very recent and 10.5% of recent immigrants were working in these occupations, just 5.7% of Canadian born worked in these jobs.

A greater share of immigrants, especially the very recent and recent immigrants were found working in the natural and applied science and related occupations compared to Canadian born. In fact, the share of recent immigrants working in these occupations was more than twice that of the share of Canadian-born employed in these occupations (15.8% vs. 7.2%).

Chart 9

Employment shares by occupation and immigrant type, population aged 25 to 54, 2006



Note: The coefficient of variation (CV) for very recent immigrants in occupations unique to primary industry is between 16.5% and 33.3%; interpret with caution.

Source: Labour Force Survey, 2006

Conclusion

With the new data on immigrants from the Labour Force Survey, we are able to see a snapshot of the labour market experiences of immigrants in 2006. For the most part, immigrants who landed in Canada prior to 1996 have similar labour market outcomes to the Canadian born. Notable exceptions among this group include: higher 2006 unemployment rates among core working-age immigrants in Quebec, immigrant women and those with post-secondary degrees; and lower 2006 unemployment rates for core working-age immigrants in Atlantic Canada and those with less than high school education.

Very recent and recent immigrants to Canada (those who landed after 1996) however, have had even more difficulties in the labour market compared with both established immigrants and the Canadian born. In 2006, the labour market disparities between more recent immigrants and the Canadian born were evident across many socio-demographic characteristics, such as province/region, CMAs, sex, level of education and age groups. Some Canadian studies have cited educational recognition, language barriers, family obligations and immigrant class among other reasons as to why many of these immigrants appear to be having such difficulties in the labour market.

While this report provides a rich overview of how well immigrants were doing in the labour market in 2006, especially with respect to the headline employment and unemployment rates, it raises some important issues that warrant more research. For example, does country or region of birth, or country or region of education shed any more light on the successes or difficulties of immigrants in the Canadian labour market? As well, while immigrants may have obtained employment, it is important to assess the quality of these jobs. For instance, are immigrants in jobs that make use their skills? How do the wages of immigrants compare to Canadian born working in similar occupations or industries? Are immigrants able to find employment that provides them with as many hours as they would like to work?

With additional studies to be released this year using data from the Labour Force Survey, Statistics Canada hopes to address a number of these issues that affect immigrants in the labour market.

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