Employment Rate of Immigrants by Sex, Canada, 2006-2012

Highlights

- For the 12 months ending December, 2012, 76.5% of landed immigrants (25 to 54 years of age) were employed.
- This is 6.8 percentage points lower than the employment rate for the Canadian born.
- The gap in the employment rate widened, but only slightly, during the economic downturn.
- Most of the overall gap is due to a higher gap for women than for men.

Why employment rates?

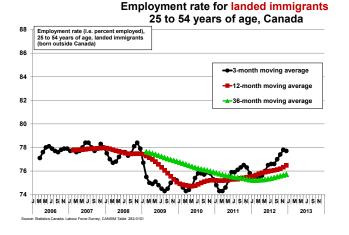
One objective of policy, and of immigrants themselves, is to get a job. Having a job facilitates economic integration which, arguably, is the first step to social integration into Canadian society.

Findings

In December, 2012, 76.5% of landed immigrants were employed (Figure 1). Here we focus on the 12-month moving average (12-MMA) which is simply the average of the previous 12 months calculated for each month over time. Similarly, the 36-MMA is the average for the previous 36 months and is calculated for each month in the time series.

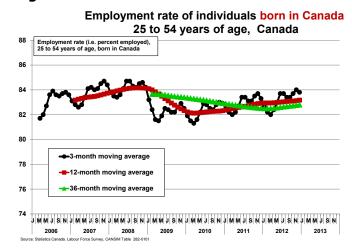
The 12-MMA has ranged from about 74% in 2009, in the midst of the economic downturn, up to the present level that is about 2 percentage points below the level that prevailed before the downturn.

Figure 1



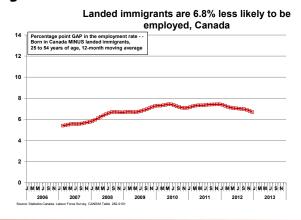
Among the Canadian born, 83.2% were employed in December, 2012 (using a 12-MMA; see Figure 2). This rate has increased from about 82% at the end of 2009 to the present level, but remains about 1 percentage point lower than before the 2009 downturn.

Figure 2



The employment rate gap is now 6.8% -- comparing landed immigrants to those born in Canada, using a 12-MMA (Figure 3).

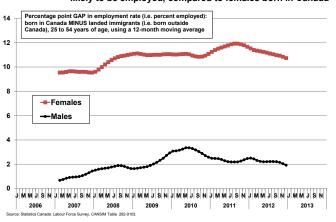
Figure 3



The overall employment rate gap between the Canadian-born and immigrants is largely due to the higher female employment rate gap (10.7 percentage points in December, 2012) as compared to the male employment rate gap (only 2 percentage points) (Figure 4).

Figure 4

In December, 2012, female immigrants were 10.7% less likely to be employed, compared to females born in Canada

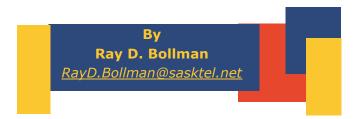


Discussion

The employment rate gap has persisted over the past 5 years. There was a marginal increase in the gap up to the beginning of 2009 as the Canadian born were (marginally) more likely to obtain jobs than landed immigrants.

This gap increased further during the economic downturn as immigrants were (marginally) more likely to lose a job.

During 2012, the employment rate gap finally began to close, marginally, falling back to the 2008 levels that prevailed before the downturn.



Appendix: Definitions

Employment rate is the percent of the population in a given age group that was employed (either full-time or part-time) in the survey week of the Labour Force Survey. We show the employment rate for individuals in the core working age (i.e. 25 to 54 years of age). Typically, the published numbers refer to the population 15 years of age and over which is a long-standing international definition of the available workforce. However, in Canada, some individuals under 25 years of age may choose not to be employed while attending school and some individuals 55 years of age and older will choose to retire and no longer be in the workforce. Thus, a focus on the core working age would seem to provide a better indicator of the functioning of the labour market (i.e. are there jobs for individuals available for work?). As noted, if we focussed on the total population 15 years of age and over, more of the observed individuals who are not employed would have chosen not to be employed.

Landed immigrant: In January 2006, there were five questions added to the Labour Force Survey to identify the immigrant population. More specifically, questions were added to identify the country of birth of the respondent, whether or not the respondent was a "landed immigrant", the month and year he/she became a landed immigrant, and the country where the respondent received his/ her highest level of education. These questions are comparable to those used in the Census questionnaire. Labour market data for the immigrant population has been available since the fall of 2007.

Appendix: References

Statistics Canada. (2012) Guide to the Labour Force Survey: 2012. (Ottawa: Statistics Canada, Catalogue no. 71-543) (http://www.statcan.gc.ca/ pub/71-543-q/71-543-q2011001-eng.pdf). Note that there are 251 studies relating to immigrants on the Statistics Canada website. Go to www.statcan.gc.ca, click on "analysts and researchers" in the upper left-hand box and search on "immigrants." Regarding labour market issues, there are 6 publications in The Immigrant Labour Force Analysis Series (http://www5.statcan.gc.ca/ <u>bsolc/olc-cel/olc-cel?catno=71-606-</u> X&chropg=1&lang=eng).

Appendix: Data Access

Data for this bulletin were downloaded from the Statistics Canada CANSIM database. Go to "analysts www.statcan.gc.ca, click on researchers" in the upper left-hand box, then click on "CANSIM" in the upper left-hand box and search on "immigrant" (or search directly for 282-0101 and 282-0103, which are the numbers of the CANSIM tables used in this bulletin).