Immigrant Taxfilers Reporting Wage Earnings by Sex and by Year of Landing

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Highlights

- ◆ Male immigrant taxfilers show a higher incidence of wage and salary employment than females.
- Recent arrival cohorts of males have a higher share with wage and salary jobs in 2012 compared to earlier cohorts, but female immigrant taxfilers who are recent arrivals do not show a higher share compared to females in earlier arrival cohorts.
- For both male and female immigrants, the year-of-arrival exerts an on-going influence (generally) on the relative incidence of wage and salary jobs over time.

Why: Percent reporting wage and salary earnings?

For many immigrants, obtaining a job is one step towards integration into Canadian society.

The previous FactSheet¹ noted that, for immigrants with some wage and salary (W&S) earnings, the year-of-landing appears to predict the level and trajectory of median earnings. An earlier FactSheet² showed that the year of arrival of an immigrant appears to predict the level and trajectory of the percent reporting W&S earnings.

The objective of this FactSheet is to review the differences between male and female immigrant taxfilers in terms of the percent who report W&S earnings.

Our statistics are obtained from Statistics Canada's Longitudinal Immigration Database which, over time, follows the information reported by immigrants on their income tax forms³. We focus on the percent of immigrant taxfilers who report W&S earnings. We acknowledge that, in this FactSheet, we are not considering the employment experiences of immigrants who are self-employed.

Findings

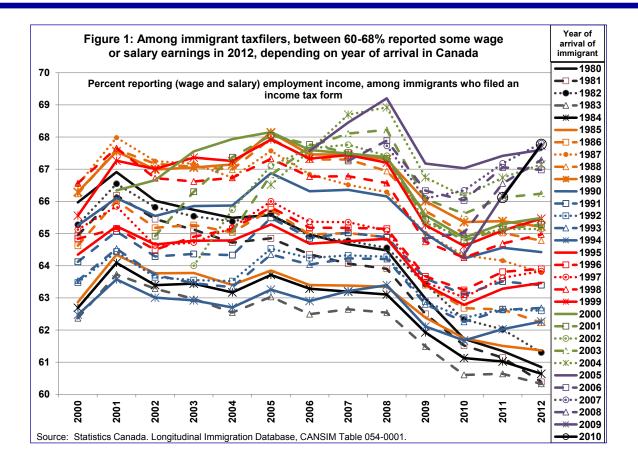
The earlier FactSheet² showed the percent of immigrants reporting W&S earnings for each year of arrival in Canada. Regardless of year of arrival, there was a common pattern of increases and decreases in the employment rate, following the business cycle. Also, the employment rate for immigrants from any arrival year tended to keep the same pattern relative to the employment rate of immigrants from any other arrival year. Thus, year of arrival, which determines year of entry into the labour force, seems to determine the employment rate trajectory for immigrant cohorts and maintains a separation from the employment rate trajectories of immigrants who arrived in other years.

Among all (male and female) taxfilers, the range in the percent reporting W&S earnings in 2012

^{1.} See Bollman, Ray D. (2016) "<u>Factsheet: Immigrant Earnings by Year of Landing</u>." Pathways to Prosperity Bulletin (London, Ontario: University of Western Ontario, Pan-Canadian Project on "Pathways to Prosperity: Promoting Welcoming Communities in Canada", February, pp. 12-14)

^{2.} See Bollman, Ray D. (2014) "<u>Factsheet: Immigrant Employment Experience by Year of Arrival in Canada</u>." Pathways to Prosperity Bulletin (London, Ontario: University of Western Ontario, Pan-Canadian Project on "Pathways to Prosperity: Promoting Welcoming Communities in Canada", September, pp. 18-21)

^{3.} Dryburgh, Heather. (2004) <u>The Longitudinal Administrative Databank and the Longitudinal Immigration Database (IMDB):</u> <u>Building the LAD-IMDB - A technical paper (Ottawa: Statistics Canada, Cat. no. 89-612-XIE)</u>



was from a low of 60.3% (for immigrants who arrived in 1981 and in 1983) to a high or 67.8% (for arrivals in 2005, 2007 and 2010) (Figure 1 and Table 1) 4 .

In general, male immigrant taxfilers have a higher percent reporting W&S earnings in 2012 compared to female immigrant taxfilers.

Among male immigrant taxfilers, the share in 2012 with some W&S earnings ranged from 64.1% (for the 1983 arrival cohort) to a high of 75.9% for the 2010 arrival cohort (Figure 2 and Table 1).

Among female immigrant taxfilers, the share in 2012 with W&S earnings ranged from 56.0% (for the 1980 arrival cohort) to a high of 63.2% for the 1989 arrival cohort (Figure 3 and Table 1).

Table 1: Incidence of reporting earnings in 2012 by immigrant taxfilers: range across all periods of arrival as well as showing the arrival years producing the highest and lowest level of earnings in 2012 Highest / lowest percent reporting wage and salary Percent of immigrant earnings in 2012 taxfilers reporting wage and salary Highest Lowest earnings in 2012 Period of immigrant arrival: 60% to 68% Average (males and females) Males only 64% to 76% 2005 to 2011 1980 to 1986

1988-90,

1998-99.

2004-05

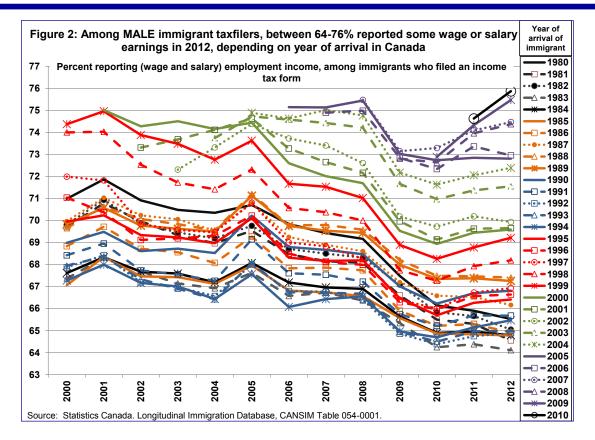
1980 to 1984

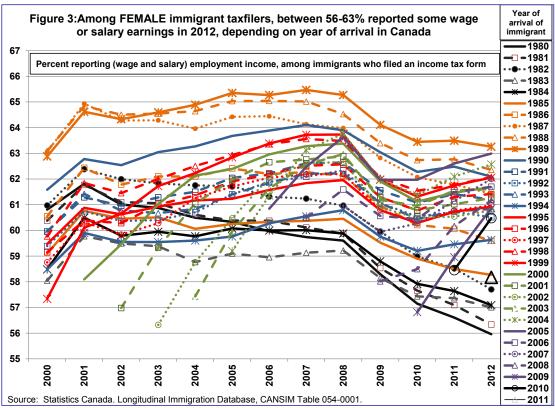
Source: Statistics Canada. Longitudinal Immigration Database, CANSIM Table 054-0001.

56% to 63%

Females only

^{4.} The colour coding in the figures is black for the early 1980s, orange for the late 1980s, blue for the early 1990s, red for the late 1990s, green for the early 2000s and purple for the late 2000s.





The data presented in Figures 1, 2 and 3 show the information for the 2000 to 2012 period. Thus, for arrivals before 2000, we are showing their experience for the most recent 12 years. For arrivals since 2000, we are showing their information for their first years of residing in Canada.

Table 2: Percent of immigrant taxfilers with wage and salary earnings in 2012 by decade of arrival in Canada			
	For immigrants who arrived in the 1980s	For immigrants who arrived in the 1990s	For immigrants who arrived in the 2000s
	Percent of immigrant taxfilers reporting wage and salary earnings in 2012		
Average (males and females)	60% to 65%	62% to 66%	65% to 68%
Males only	64% to 67%	65% to 69%	70% to 76%
Females only	56% to 63%	60% to 62%	60% to 63%

Source: Statistics Canada. Longitudinal Immigration Database, CANSIM Table 054-0001.

Interestingly, for male arrivals since 2000, the percent employed in their first year of residing in Canada (note the starting point for the green and purple lines in Figure 2) is at a level that is (generally) consistent with the subsequent level (relative to other arrival cohorts) of the incidence of being employed.

However, for female arrivals since 2000, the percent employed after their first year of residing in Canada (i.e. the early years for the green and purple lines in Figure 2) show significant year-to-year increases in the employment rate for the first number of years before converging within a narrow band of 60% to 63% being employed in 2012.

Note that the pattern of reporting W&S earnings follows the business cycle (Figures 1, 2 and 3). Thus, the percent reporting W&S earnings declined from 2001 to 2002 for most arrival cohorts, for both males and females; similarly, from 2008 to 2009 every arrival cohort, for both males and females, experienced a decline in the share reporting W&S earnings.

By 2012, both male and female immigrant taxfilers in the earlier arrival cohorts were less likely to be reporting W&S earnings due, in part, to their being older and thus a larger share would have retired (Table 2). Interestingly, among females, the share with W&S employment in 2012 was not much higher for recent arrival cohorts (ranging from 60% to 63% for arrivals in the 2000s), compared to a similar range (60% to 62%) for arrivals in the 1990s. However, among male immigrant taxfilers, arrivals in the 2000s were more likely to report earnings in 2012 (70% to 76%) compared to arrivals in the 1990s (65% to 69%).

Also, note the strong tendency (shown in each chart) for each line to maintain the same relative position to other lines over time – suggesting that the year-of-arrival of immigrants is a good predictor of the relative trajectory of employment rates (i.e. percent reporting W&S earnings) over time⁵.

Summary

For both male and female immigrants, the year-of-arrival of an immigrant exerts an on-going influence on the relative level of reporting a wage and salary job over time – re-enforcing the finding of the earlier² observation that year-of-arrival tends to predict the relative level and trajectory over time of participation in wage and salary employment.

^{5.} The significant increase in employment rates for females in their early years of residence in Canada makes this conclusion less obvious in Figure 3. However, when Figure 3 is shown for each decade of arrival in Canada, then the pattern is clearer. These charts are available from the author upon request.