



# Socio-Economic Integration of Immigrants and Refugees: overview

Ümit Kiziltan

Director General, Research and Evaluation Branch

Immigration, Refugees and Citizenship Canada

May 13, 2016



Immigration, Refugees  
and Citizenship Canada

Immigration, Réfugiés  
et Citoyenneté Canada



Canada

# Presentation Objectives

- Highlight the economic outcomes of immigrants:
  - High level comparison with the Canadian-born
  - More nuanced analysis by immigration category
  - Examination of the occupational skill level of immigrants
  - Recent research findings on immigrant economic outcomes
- Highlight immigrant social outcomes as part of their socio-economic integration
- Provide an overview of the outcomes of the children of immigrants

## Are immigrants performing well in terms of economic integration in Canada?

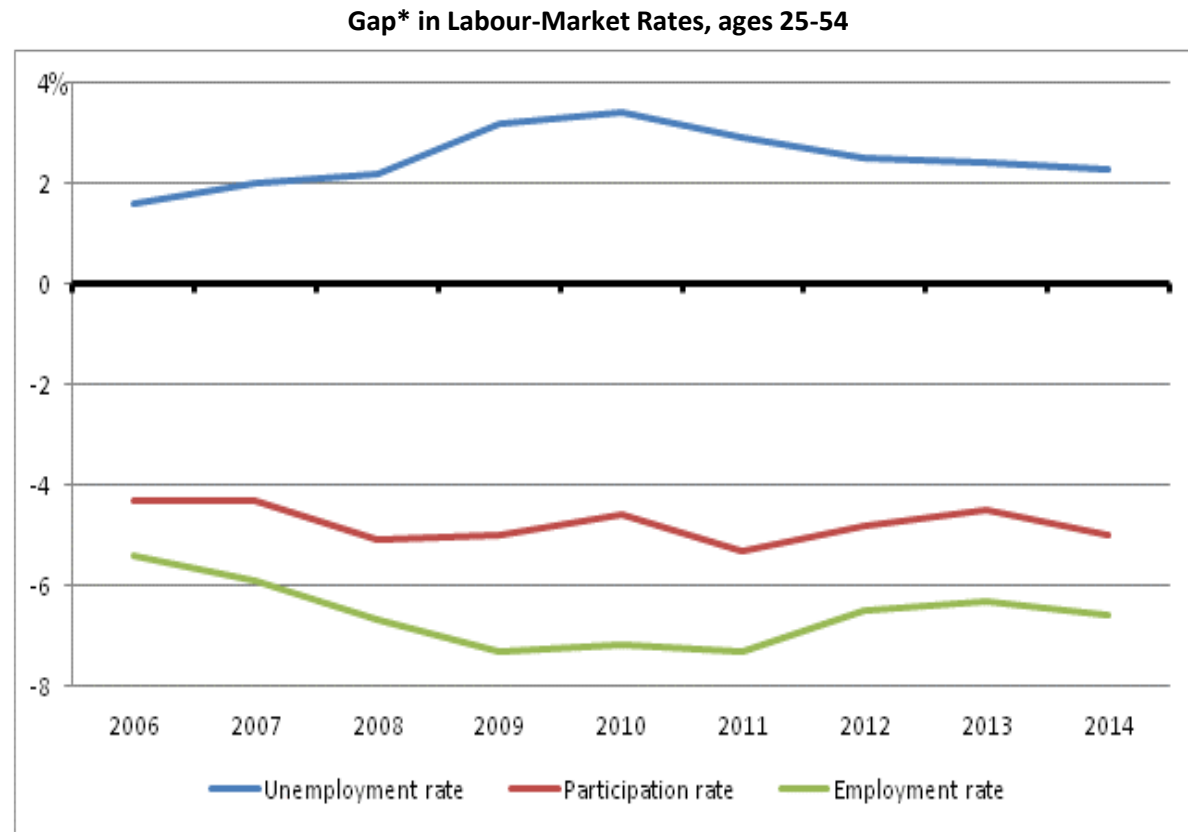
- Some research has highlighted that recent immigrants, especially those with high educational attainment, have not performed as well in the Canadian labour market compared to earlier immigrant cohorts (Worswick 2004; Worswick & Green 2010; Picot 2008)

# Economic Outcomes of Immigrants Compared to the Canadian-Born

On average, and compared to the Canadian born, immigrants as a whole have:

- Lower rates of **labour force participation**,
- Lower **employment** rates, and
- Higher **unemployment** rates.

The **recession** (2008-2009) has widened the gap.

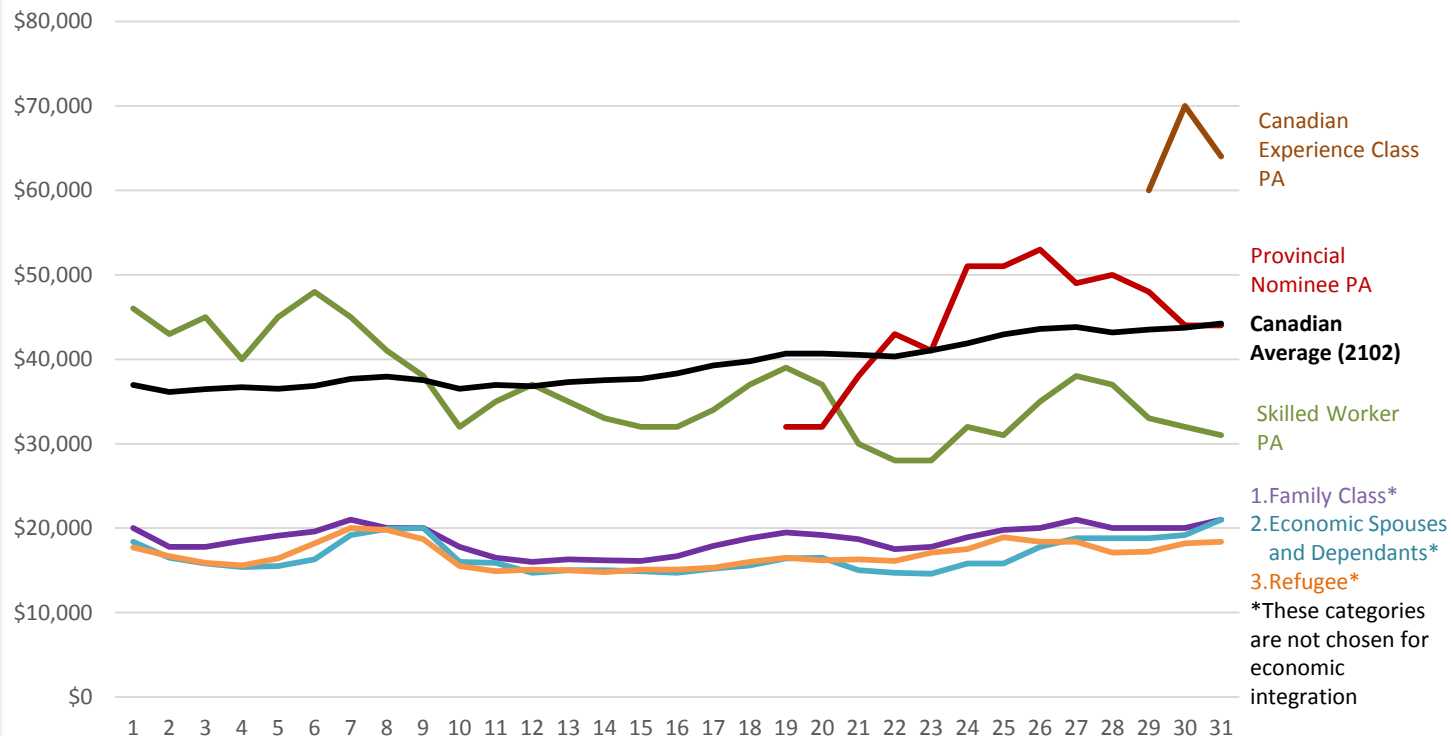


\*Gap is calculated as landed Immigrant population less Canadian-born population.  
Data Source: Labour Force Survey

# Average Entry Employment Earnings by Immigration Category

High level comparisons of all immigrants mask a more nuanced story of both the low and high-performing immigrant groups.

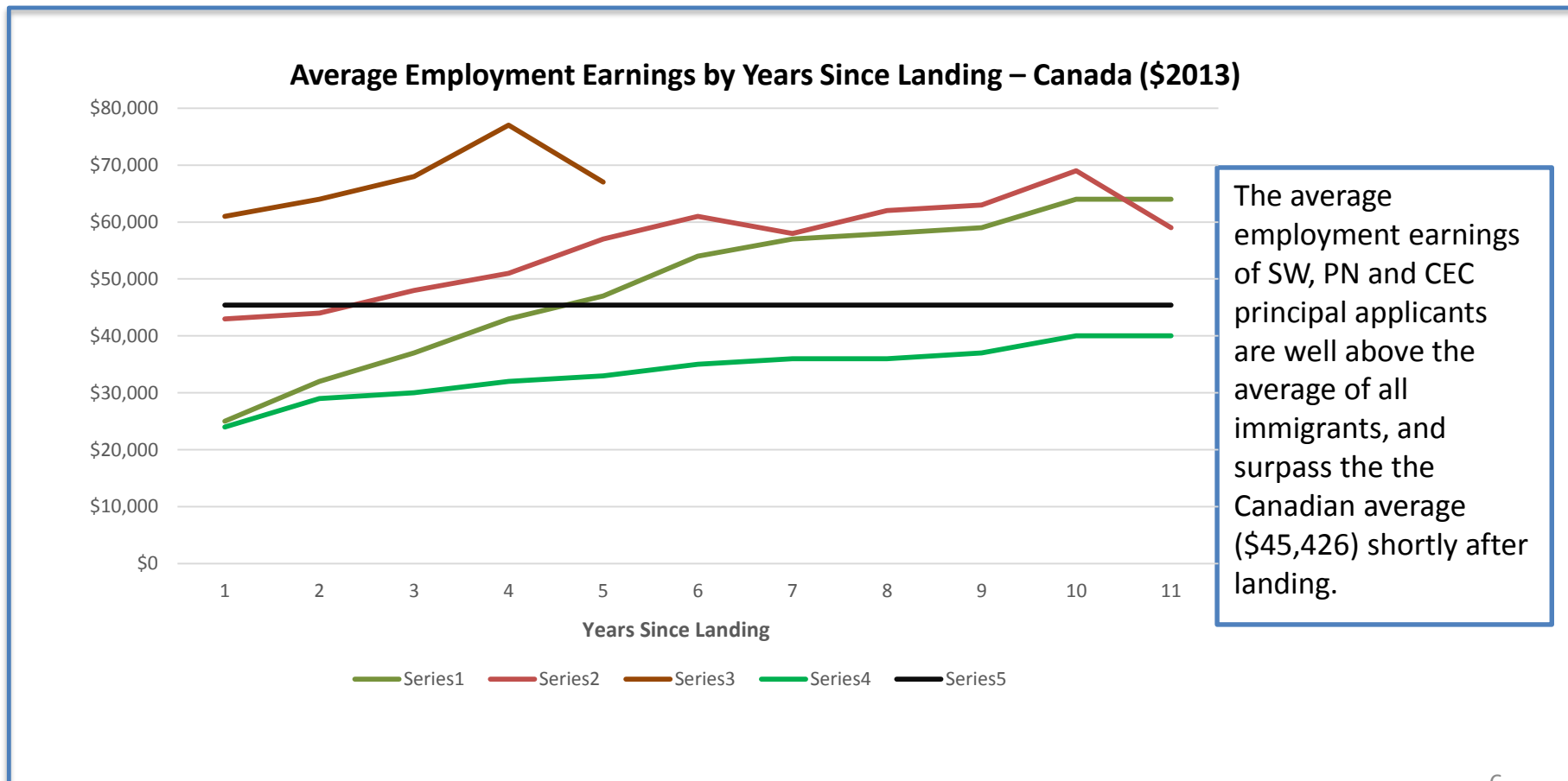
**Average Entry Employment Earnings by Immigration Category - Canada (\$2012)**  
**Tax Years 1982 - 2012**



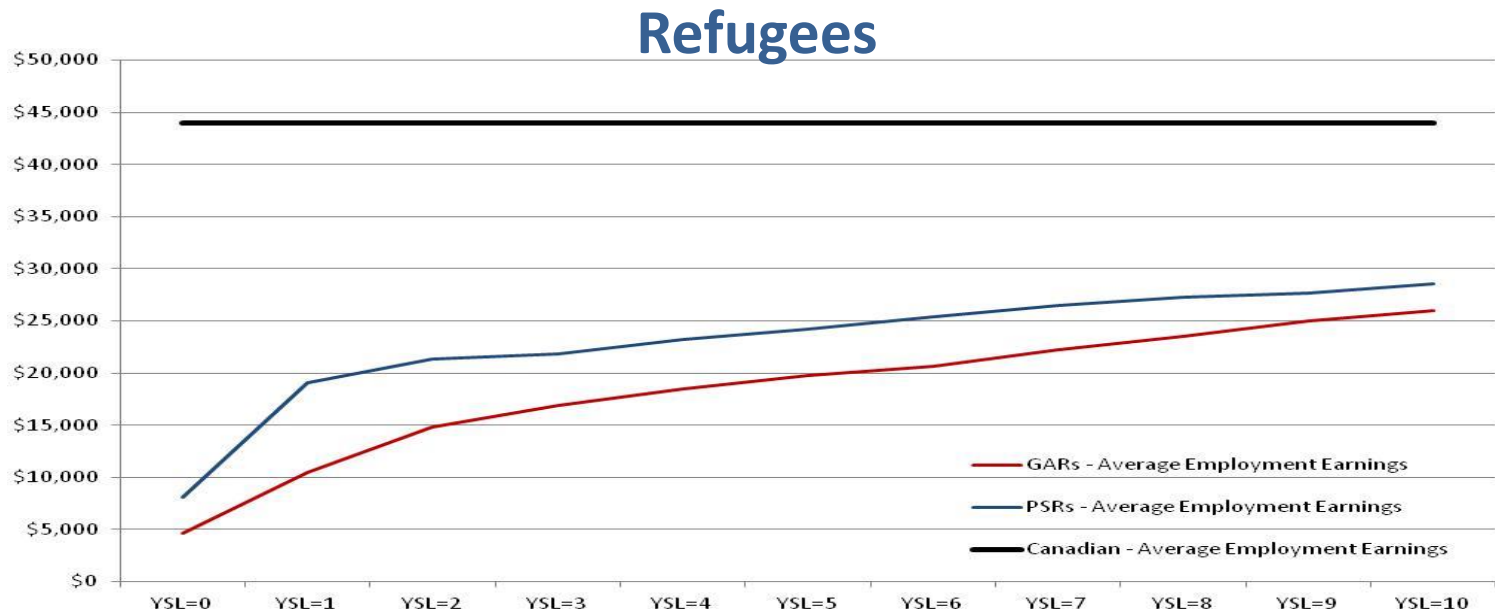
- Canadian Experience Class PAs and Provincial Nominee PAs have **similar or higher entry employment earnings** than the Canadian average.
- Family class, economic spouses and dependants, and refugees have **earnings that are below the Canadian average.**

## Principal Applicants: Skilled Worker, Provincial Nominees and Canadian Experience Class

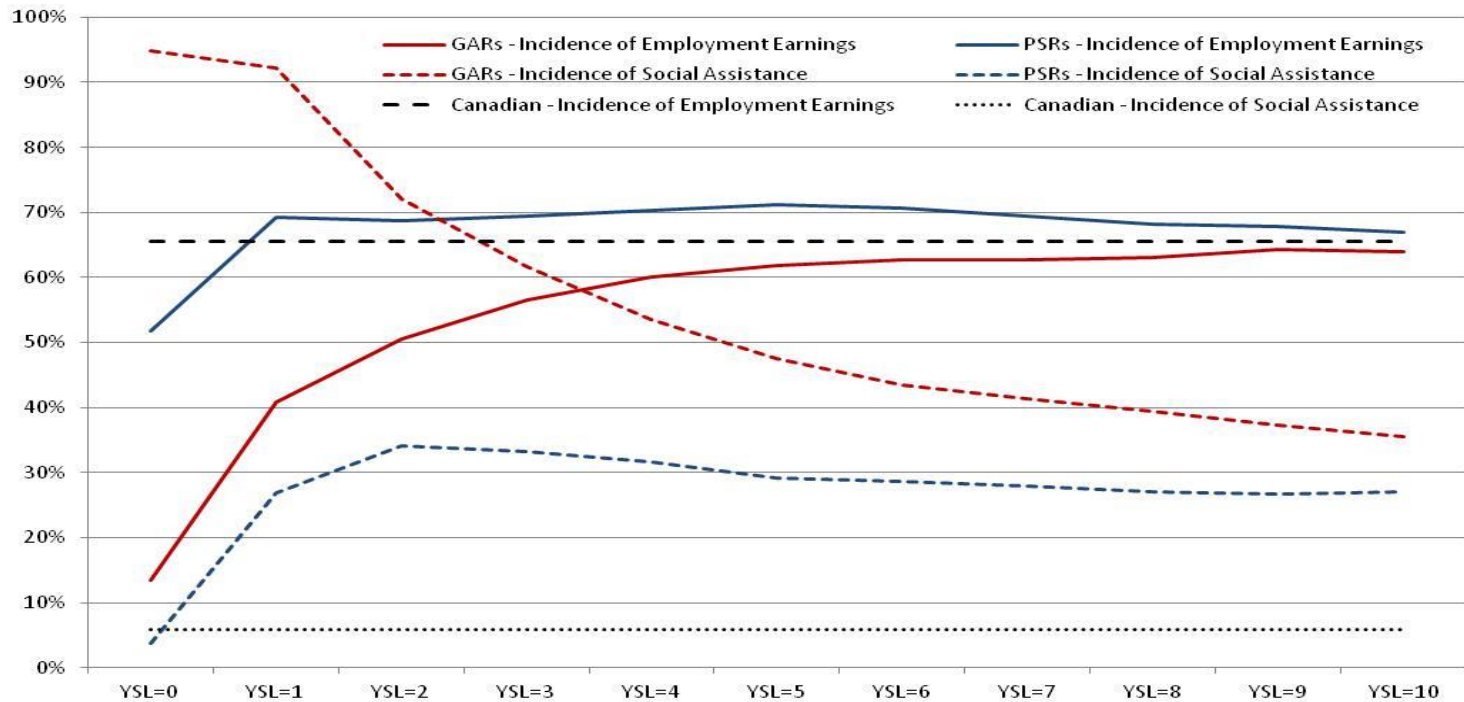
- These are economic programs with built-in human capital selection characteristics (e.g., Canadian work experience prior to obtaining permanent residency or social connections) which contribute to positive entry earnings.



Average Employment Earnings (\$2013) by Years Since Landing, GARs and PSRs, (2002-2013 Landing Cohorts)



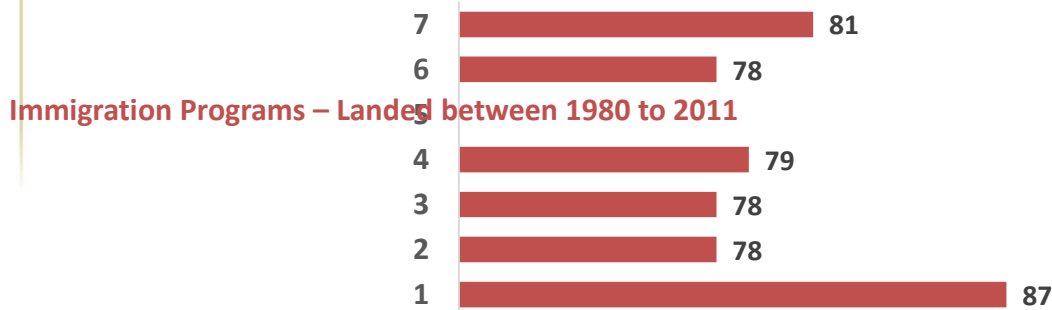
Incidence of Employment Earnings (%) and Social Assistance (%) by Years Since Landing, GARs and PSRs, (2002-2013 Landing Cohorts)



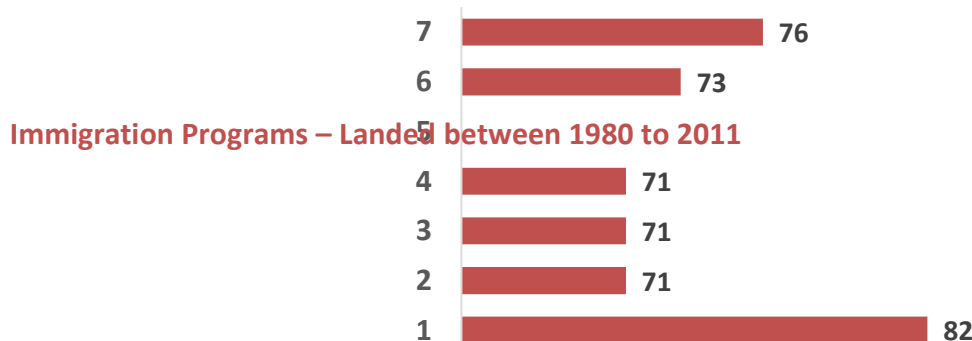
Source: The Longitudinal Immigration Database (IMDB); a database combining immigration and taxation records.

# Labour Force Participation, Employment and Unemployment Rates of Immigrants and Canadian born among 25 to 64 Year Olds

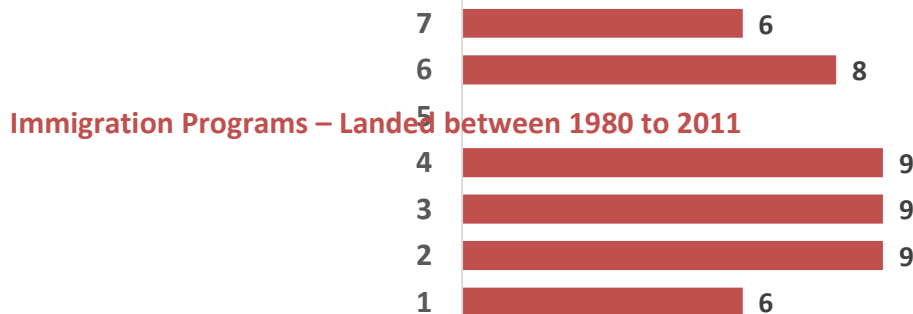
## Labour Force Participation Rates



## Employment Rates



## Unemployment Rates



## Similar patterns across all three labour force indicators

- Canadian born have stronger results than immigrants
- Economic principal applicants outperform all other immigration classes and the Canadian born population
- The results for refugees, family class and economic spouses are relatively similar

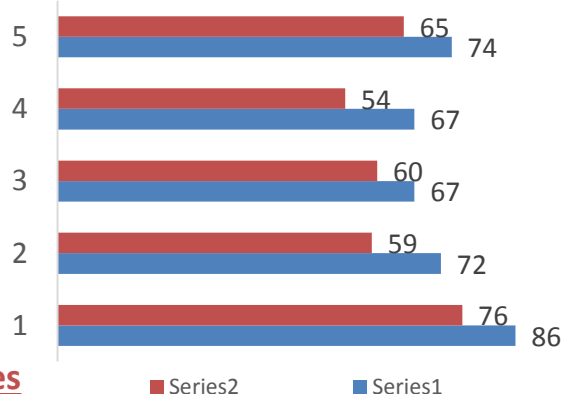


# Labour Force Participation, Employment and Unemployment Rates among 25 to 64 Year Olds Who Landed between 2006 and 2011 (Very Recent Immigrants) and between 2001 and 2005 (Recent Immigrants)

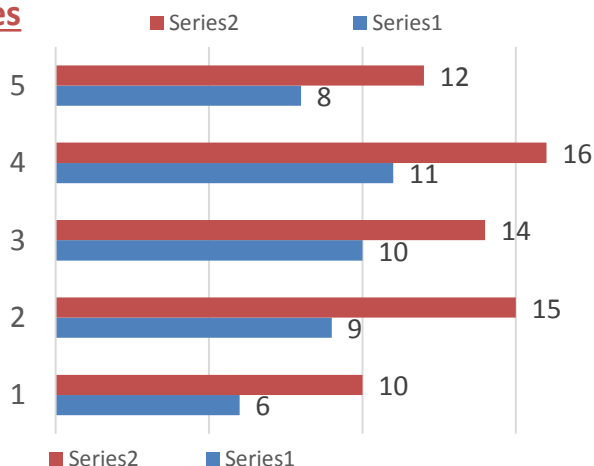
## Labour Force Participation Rates



## Employment rates



## Unemployment Rates



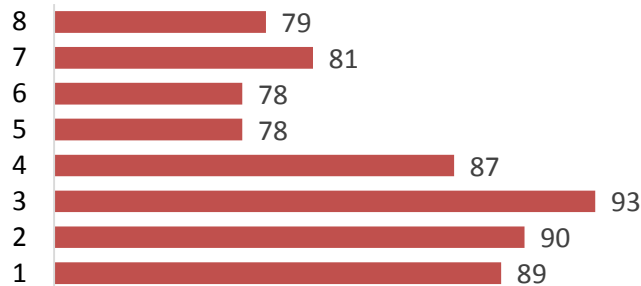
**Time spent in Canada makes a difference; the rates for recent immigrants are consistently stronger than those for very recent immigrants**

- Very recent and recent immigrant Economic PAs have much higher participation and employment rates than other immigration classes
- Very recent Economic SDs and Family Class immigrants have much lower participation and employment rates than recent immigrants
- Of all immigration classes, refugees who landed between 2006 and 2011 have the lowest participation and employment rates and highest unemployment rates

- Refugees see the largest participation and employment rate increases with time spent in Canada; the participation and employment rates for recent refugees is ten percentage points higher than for very recent refugees
- Recent refugees have participation and employment rates that are on par with family class immigrants.

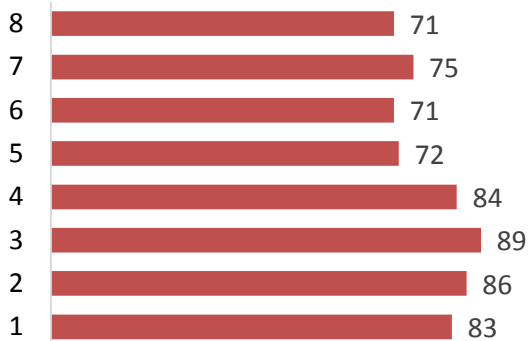
# Labour Force Participation, Employment and Unemployment Rates by Immigration Categories among 25 to 64 Year Old Immigrants

## Participation Rates

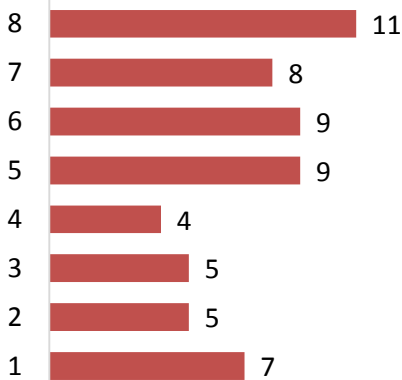


**Economic immigration categories consistently have higher participation and employment rates and lower unemployment rates than refugee and family categories**

## Employment Rates



## Unemployment Rates



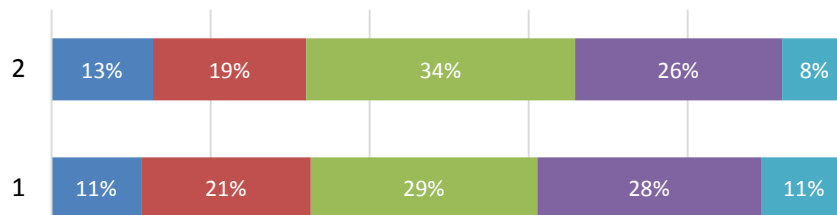
- Canadian Experience Class PAs have the highest participation and employment rates, followed by Provincial Nominees PAs, while Live-in Caregivers have the lowest unemployment rates
- Of the refugee categories, Privately Sponsored Refugees have the highest participation and employment rates and the lowest unemployment rates
- The results for the spouses and partners categories are similar to those of the refugee categories

# Occupational Skill Level of Immigrants

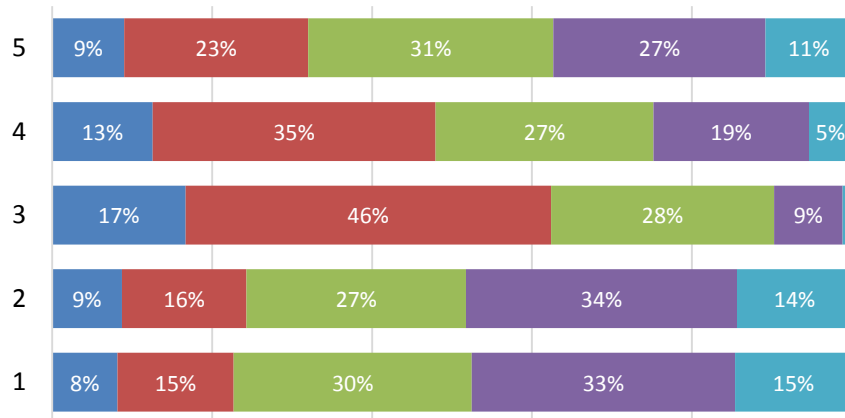
- The immigrant population is working in occupations at all skill levels

Percentage of the Working Population Aged 25 to 64 in NOC Skill Level Occupational Categories by Immigrant Status and Immigration Class

## Total Population



## Immigration Programs - Landed between 1980 and 2011



■ Series1 ■ Series2 ■ Series3 ■ Series4 ■ Series5

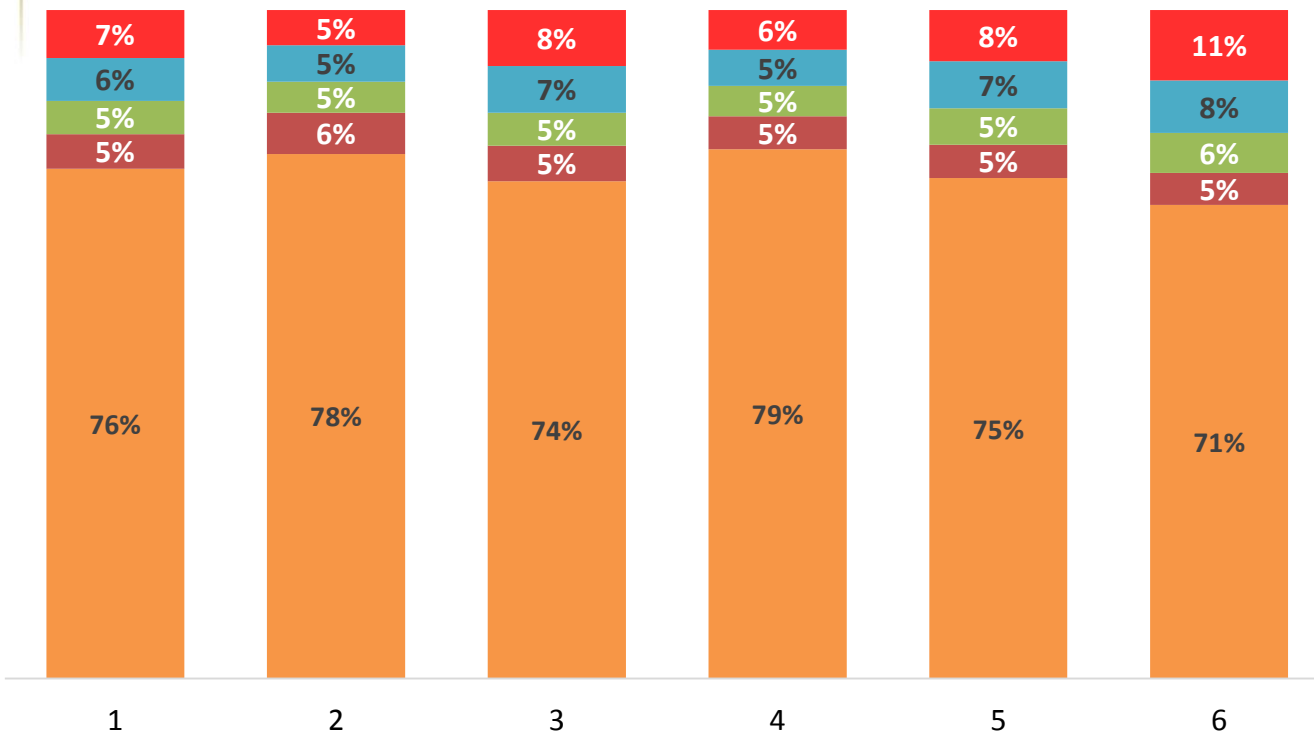
**Economic immigrants** have higher percentages of immigrants working in Skill Level A and B occupations

**Family Class and Refugees** have higher percentages of immigrants working in Skill Level C and D occupations

# Distribution of the population across skill levels

At least one in five workers is an immigrant across all skill level categories

Occupational Skill Level Categories for the Working population Aged 25 to 64  
by Immigration Status and Period of Immigration



Skill Levels D has the highest shares of immigrants

Just over one in ten Skill Level D workers (11%) is an immigrant who landed between 2001 and 2011

## Immigrants have a higher rate of entrepreneurship, but tend to own smaller firms compared to the Canadian-born

- In Canada, a larger share of immigrants than the Canadian-born are entrepreneurs. In 2010 about 5.8% of longer-term immigrants owned a private incorporated company, compared to 4.8% of the Canadian born.
- The likelihood of an immigrant being a business owner increases with years since immigration and the propensity to be an entrepreneur is higher among more highly educated immigrants.
- Economic class immigrants had the highest probability of owning an incorporated private firm while refugees had the highest likelihood of being “primarily” self-employed.

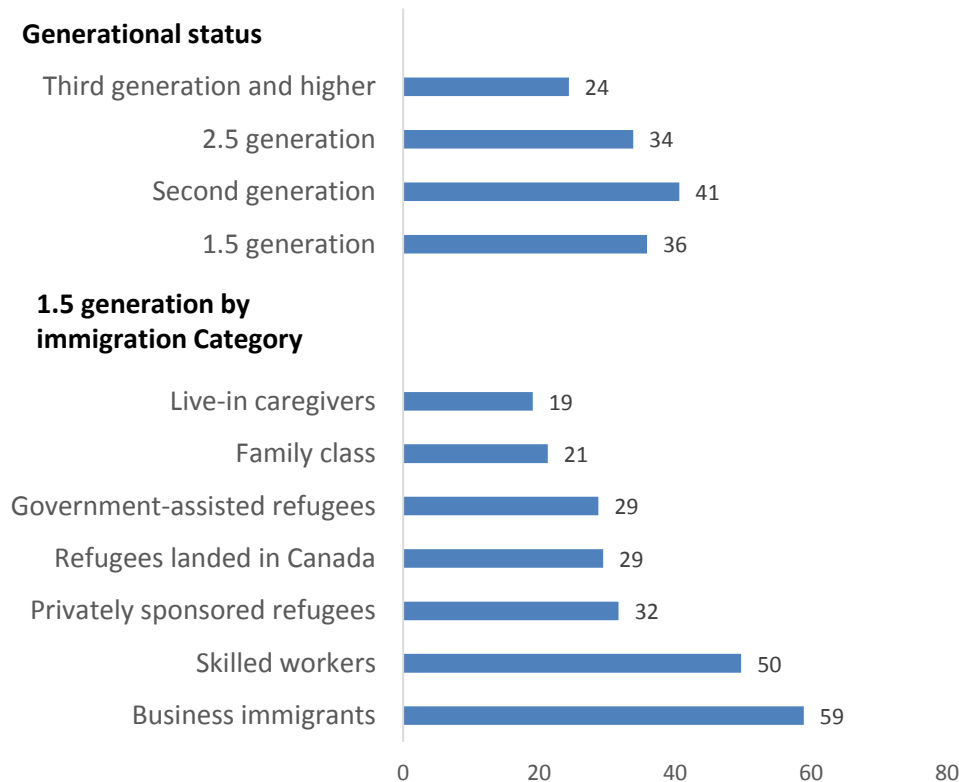
Immigrant Class	% of private incorporated business owners who are immigrants
Family Class	28%
Economic Class (not including Business class)	43.5%
Business Class	12.1%
Refugees	11.3%
Other	5%

- Immigrant owned firms were on average smaller than similar businesses (private incorporated companies) owned by the Canadian-born.
- Refugee entrepreneurs tend to be overly concentrated (compared to Canadian-born entrepreneurs) in specialty trade contracting, ground transportation, retail trade, food services and services to dwellings (e.g. janitors).
- Economic class immigrants were about twice as likely as the Canadian-born to own a company in the knowledge based industries, notably architecture and engineering services, computer systems design and management and scientific consulting.

# Children of immigrants: University Completion rates

Children of immigrants have a higher university completion rate than that of the third generation and higher

## University completion rate (aged 25-44), 2011



- On average, the second generation has the highest university completion rate, the third generation and higher has the lowest rate

### Among 1.5 generation:

- Those admitted through **the live-in caregiver class** had a university completion rate (19%), lower than those with Canadian born parents (24%);
- Those admitted through **business** (59%) and **skilled worker class** (50%) have the highest rates

### Notes:

- 1.5 generation include those who immigrated to Canada before age 18 and before 1980.
- The second generation includes those who were born in Canada to two immigrant parents.
- The 2.5 generation includes those who were born in Canada to one immigrant parent and one Canadian-born parent.
- Third generation or above includes those who were born in Canada to two Canadian-born parents

Source: Statistics Canada, authors' calculations based on the 2011 National Household Survey and Immigrant Landing File linkage.

# Outcomes of Children of immigrants

- The children of immigrants constitute **an emerging population in Canada** (22%, 32%, and 35% of all adults, young adults, and children in 2011); with **a growing ethnic diversity**: 33% of those in prime age (25-44) and 60% of young adults (15-24) are visible minorities.
- Immigration and integration can be conceptualized as **an intergenerational process**, and it is also essential to explore the outcomes of the children of immigrants, including those born in Canada (2<sup>nd</sup> generation) and those who came to Canada as children (1.5 generation)
- The children of immigrants **overall outperform** their peers of Canadian-born parents in **educational attainment**, but their labour market advantages observed in earlier data are no longer seen in the latest data (2011).
- There are variations in educational and labour market outcomes by **immigration class** and **ethnic origin/visible minority category** among the children of immigrants.
  - Overall, children of immigrants **earn more than 3<sup>rd</sup> generation and higher**. However, children of immigrants of nearly all visible minority groups have lower earnings compared to their peers with Canadian-born parents, and the gap is especially large for visible minority categories of black, Latin America, W Asian/Arab and SE Asia. (Result obtained controlling for the effect of educational attainment and other key social-demographic variables; 2011 NHS).
  - **Under-employment** (work in part-time/year jobs) and **over-qualification** (highly educated in low-skilled jobs) are more prominent among the children of immigrants; the children of visible minority immigrants are also largely underrepresented in the public sector.

## ◆ Immigrants' economic and social engagements are connected

- Official language ability facilitates higher earnings soon after landing (Bonikowska, Hou and Picot, 2015) and social engagement (Derwing and Waugh, 2012)
- Being a naturalized Canadian citizen increases the probability of employment, and of having higher occupational status and earnings (Hou and Picot, 2011)
- Having social networks across several occupational categories is associated with a higher probability of being employed, and higher earnings among the employed (Thomas, 2011)
- Newcomers (especially women and those with lower education) are more likely to find employment if they have strong personal ties (friends, family), and to earn more if their workplace network is ethnically diverse (Xue 2008a and b, LSIC)
- Having a job and income at the mid-range or above is positively associated with subjective well-being (higher score on life satisfaction scale)(Schellenberg and Houle 2010; Lu, Schellenberg and Hou, 2015; current R&E research)
- Low income, unemployment and job over-qualification are associated with poorer health outcomes (Aycan and Berry 1996, Beiser and Hou 2001, Chen et al 2010)

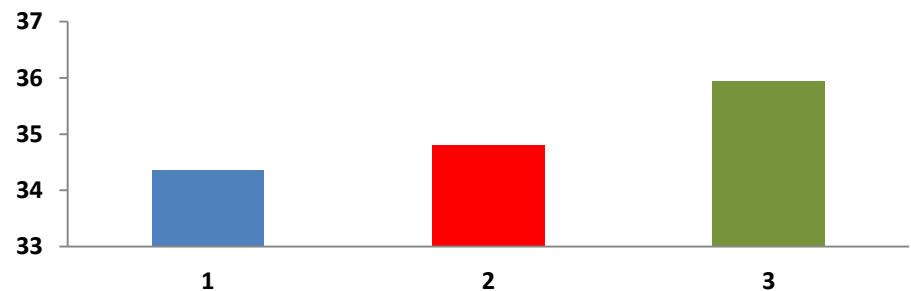


Immigrants, especially recent immigrants, report a significantly lower level of **social support and connections** compared to the Canadian-born.

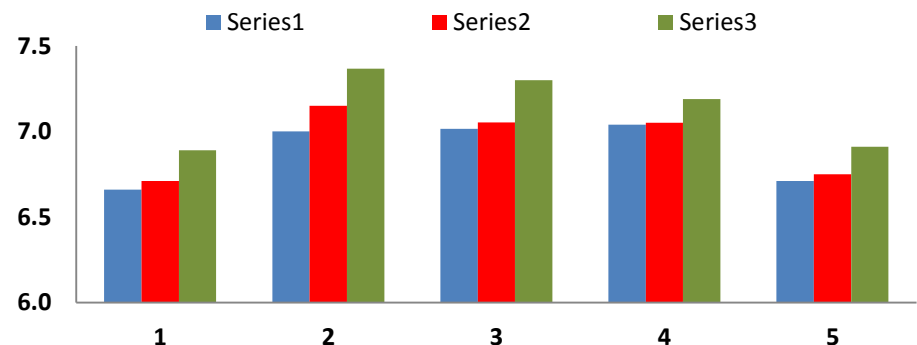
- Immigrants have a **lower level of social support and connections** than the Canadian-born, in terms of
  - weaker sense of being integrated to society (Social Integration Scale),
  - weaker assurance that others can be counted when needed (Reliable Alliance Scale),
  - less advice or information available to them (Guidance Scale),
  - fewer close relationships with others (Attachment Scale), and
  - a lower level of recognition of competence (Reassurance of Worth Scale). \*
- Established immigrants have slightly more social support and connections than recent immigrants.

NOTE: The scales are based on data from Qc, BC, and Territories

Social Provision Scale: a higher score reflects a higher overall level of social support and connections



Scales of social support and connections: a higher score means more support and connections

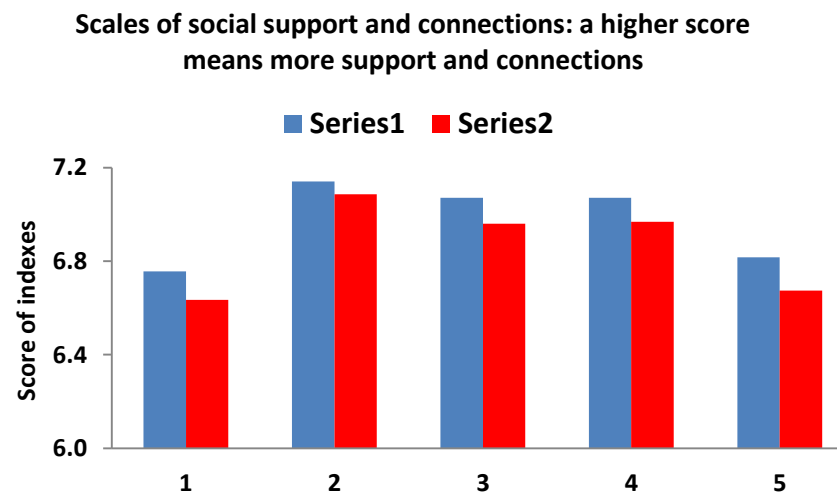
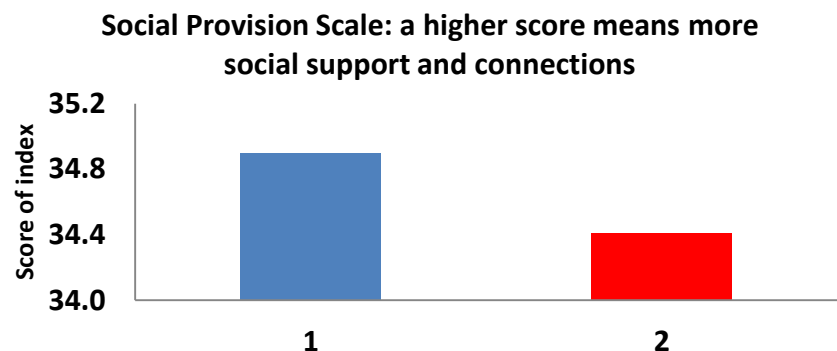


# Employment Status and Social Support

Employed immigrants enjoy significantly more social support and connections than unemployed immigrants.

- Compared to immigrants without a job, employed immigrants report:
  - stronger sense of being integrated into society (Social Integration Scale),
  - more access to advice or information (Guidance Scale),
  - closer relationships with others (Attachment Scale), and
  - a higher level of recognition of competence (Reassurance of Worth Scale).
- This evidence is consistent with the literature, e.g. social network helps immigrants find jobs, and conversely, employment reinforces immigrants' social capital.

NOTE: The scales are based on data from Qc, BC, and Territories

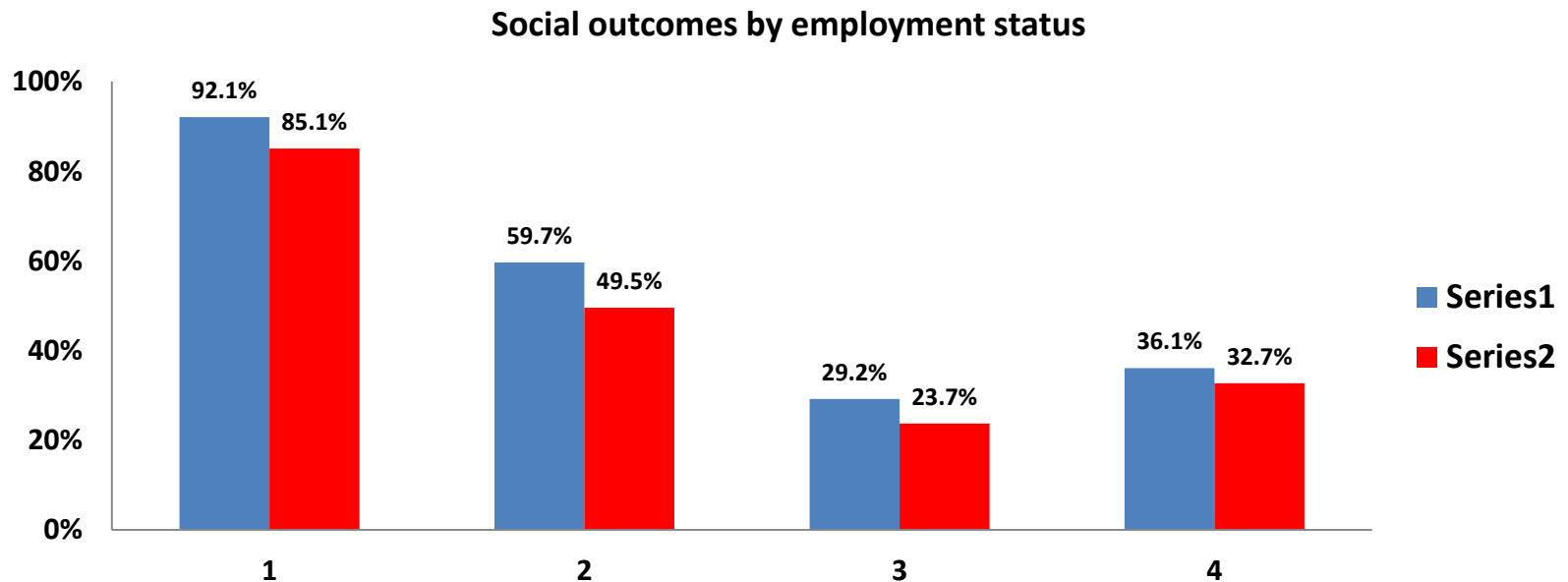


Source: CCHS, 2011-2012.

# Employment Status and Social Outcomes

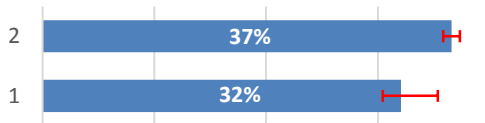
Employed immigrants have a high level of social well-being, more participation in society, and stronger perceived political influence

- Compared to unemployed immigrants, immigrants with a job are more likely
  - to be satisfied with life,
  - to feel contributed something important to society,
  - to participate in voluntary organizations, and
  - to perceive political influence.



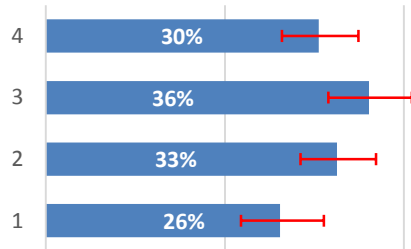
# Engagement through volunteering and social organizations --a facilitating factor for social networks -- varies across immigration categories

## Volunteering - 95% ci's

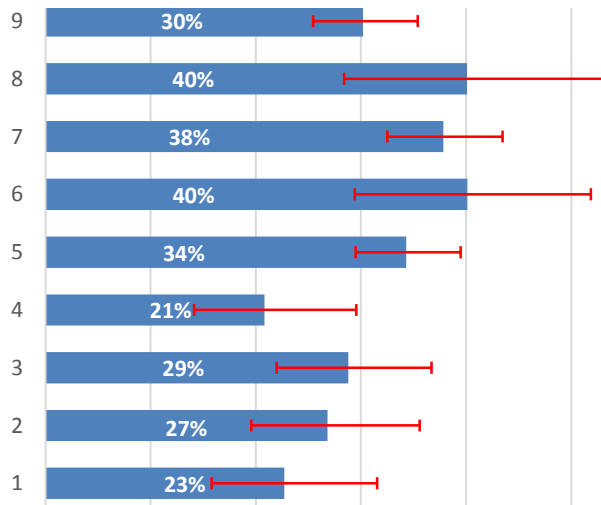


*Immigrants have lower rates of volunteering and organization membership than the Canadian born*

## Immigration Programs – Landed 1980 to 2011



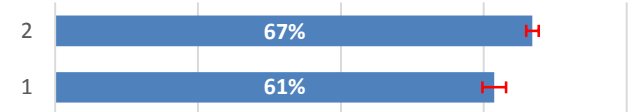
*Spouses and dependents of economic class immigrants have rates comparable to those of the Canadian born population*



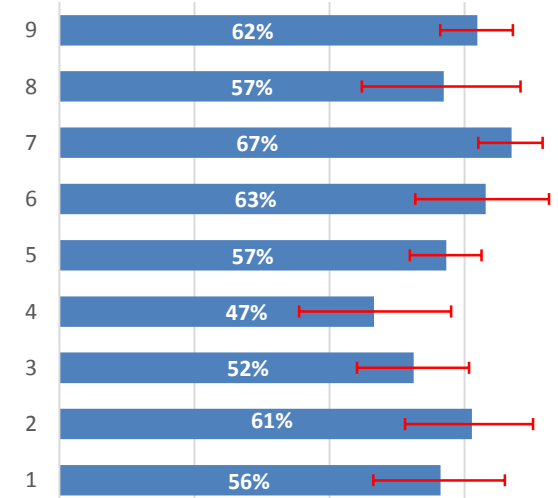
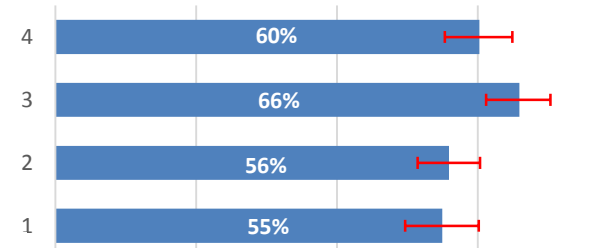
*PNPs (both PAs and SDs) have relatively high volunteering rates, followed by FSW spouses and dependents and Family Class spouses and partners, who also have the highest rate of organization membership*

*Refugees have lower rates of engagement overall. GARs have slightly higher rates of volunteering, while PSRs have slightly higher rates of organization membership*

## Membership social organization(s) (excluding volunteering) - 95% ci's



## Immigration Programs – Landed 1980 to 2011

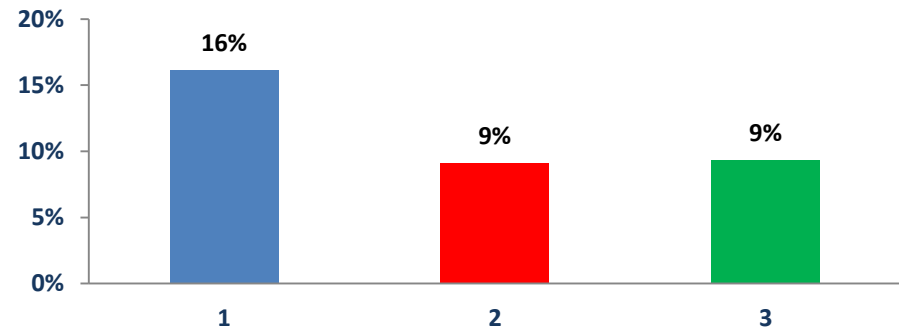


## Recent immigrants are more likely to have some work related health conditions.

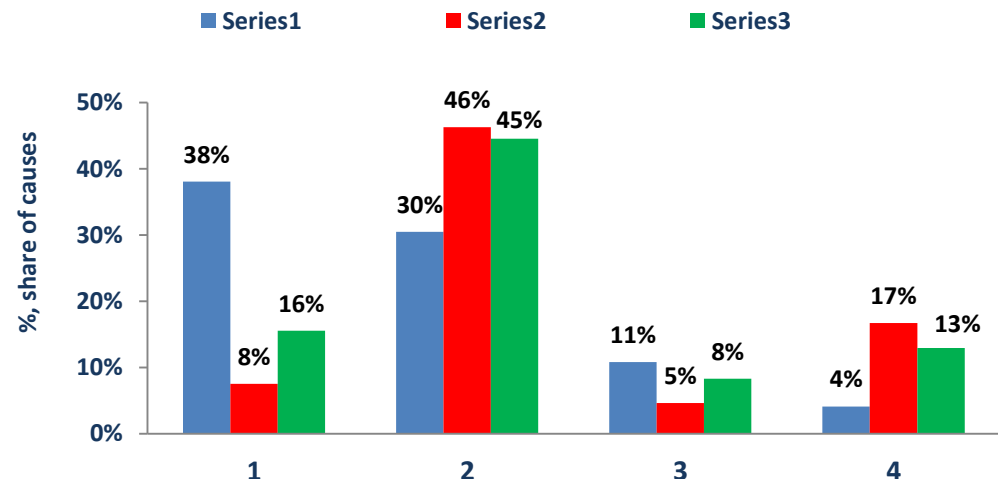
- Recent immigrants (16%) were more likely to have risky work conditions that resulted in a disability compared to non-recent immigrants (9%) and the Canadian-born (9%).
- While work-related injuries were the largest source of serious injuries (38% of all causes) for recent immigrants, the largest cause for non-recent immigrants and the Canadian-born was “sports and leisure” (46% and 45%).

Note: “Disability caused by work conditions “ is based on data for all PTs, and “Causes of serious injuries” are on an optional component data for Alberta and Northwest Territories.

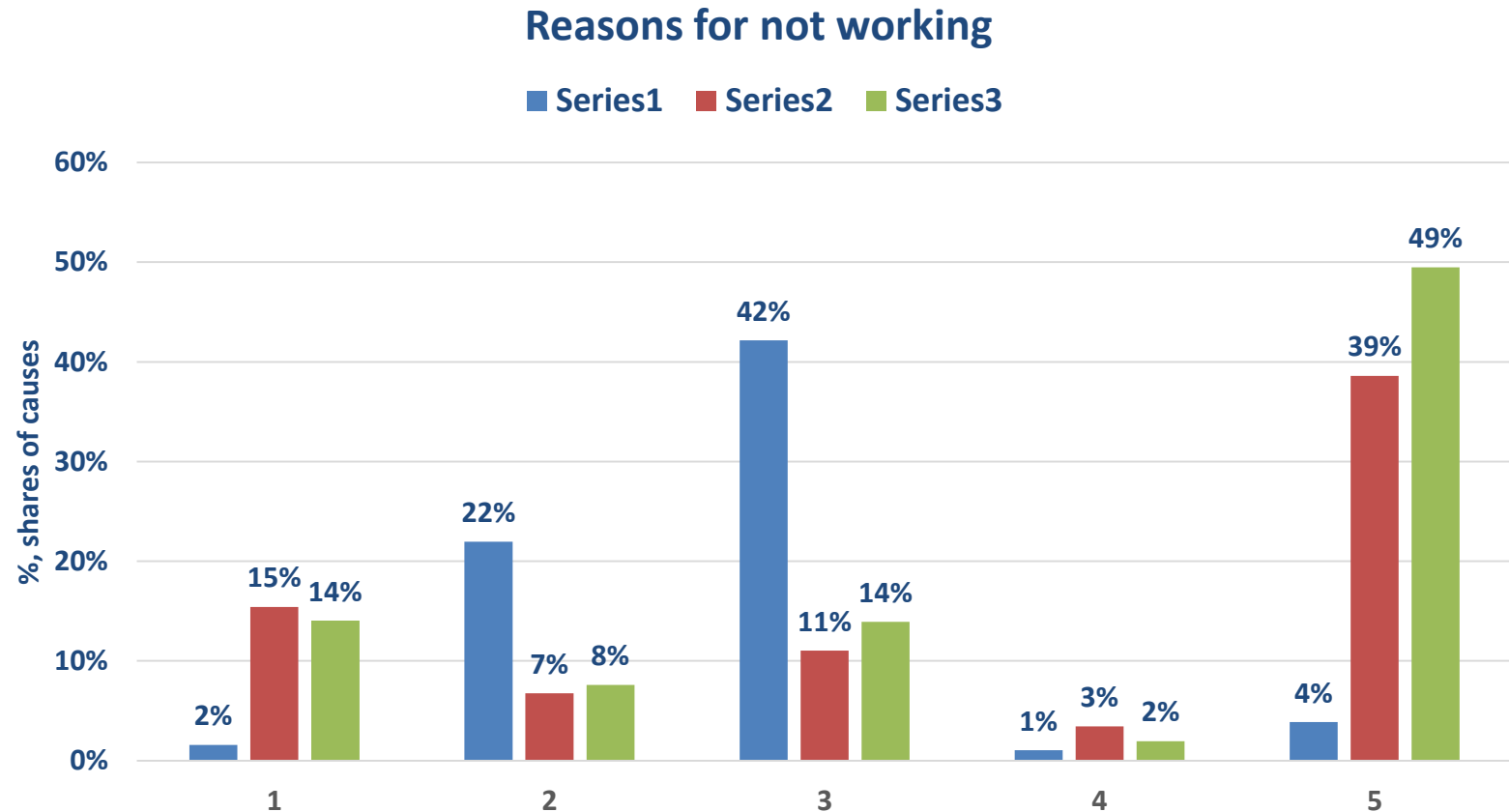
Percentage of disability caused by work conditions



Causes of serious injuries



**A much smaller share of recent immigrants reported health problems as a reason for not participating in labor market compared to established immigrants and the Canadian-born.**



Source: CCHS, 2011-2012.

Note: The information is based on an optional component data for Quebec and PEI.

# IRCC's Data Roadmap

**IRCC**

**STC**

(Statistics Canada)

Immigration Landing File (ILF)

Longitudinal Immigration Landing File (IMDB)

Canadian Employer Employee Dynamic Database (CEEDD)  
PR & TR

General Social Survey (GSS)

2011 National Household Survey (NHS)/2016 Census

Canadian Community Health Survey (CCHS)

STC surveys linked to ILF/IMDB

IRCC administrative data at STC

IRCC data linked to provincial/territorial health data

Maintained at IRCC

Application for permanent residency  
(e.g. language, age, education ...)

Temporary Resident Database

Confirmation of Permanent Residency  
Landing years 1980 to 2010

Pre-landing Canadian Experience  
(study experience, refugee claim)

Tax Data  
Based on T1FF, converted to LAD structure (not held in GCMS)

Sponsorship Agreements

Health Related Datasets

Settlement services iCARE

Settlement Outcome Survey

Citizenship Grants

PT Health Data Linkages

Landing – Health Linkage (ICES)

Landing – Health Linkage (PopData BC)

Landing – Health Linkage Manitoba