Executive summary

IMDB 2008 Core Report

Provincial Portrait of Immigrant Outcomes: 2001 - 2008 Employment Earnings

March, 2012

IMDB 2008 research series

IMDB core report

The *IMDB Core Report* is an annual update of previous research that focuses on incidence of employment earnings, average entry employment earnings, and growth in average employment earnings during immigrants' first five years in Canada. The *IMDB 2008 Core Report* provides outcomes for those landed in the period 2001 to 2008.

The *IMDB Core* Report consists of two volumes:

- 1) The National Portrait, provides:
 - A detailed look at skilled worker principal applicant employment outcomes by age and gender; and
 - Immigration category highlights for provincial nominee principal applicants, family class immigrants, refugees, and economic spouses/dependants.
- 2) The Provincial Portrait, provides:
 - Information about the mix of immigrant classes at landing by province and immigration category and highlights for skilled worker principal applicants and provincial nominee principal applicants by province.

Each volume is accompanied by an appendix containing a full set of supporting tables and the *IMDB* Research Series – Technical Notes providing information about data sources, a glossary of terms and concepts as well as additional notes.

The IMDB 2009 Core Report will be available in fall, 2012.

IMDB immigration category profiles

The IMDB 2008 Immigration Category Profiles consist of the following twelve reports:

- Economic class: Skilled Workers (SW), Provincial Nominees (PN), Live-in Caregivers (LC), and Business immigrants – Entrepreneurs (ENT), Investors (INV) and Self-employed (SEI)
- Family class: Parents and Grandparents (P&G) and Spouses and Partners (S&P)
- Refugees: Government-assisted Refugees (GAR), Privately Sponsored Refugees (PSR) and Refugees Landed in Canada (RLC)
- Other immigrants: Humanitarian and Compassionate/Public Policy Considerations (HC)

Each IMDB Immigration Category Profile consists of two main sections:

- 1) Background characteristics: Provides demographic landings information for the target category by province, country of last permanent residence, family status, age, and gender; and
- 2) Economic outcomes: Provides information on the economic performance of the target category compared to other selected immigrant categories and all Canadians including, average employment earnings, income distributions as well as incidence of employment earnings, social assistance and employment insurance.

The profiles are graphical presentations of the demographic and economic trends observed over time with corresponding text focusing on category specific highlights. Each profile is accompanied by an appendix containing a full set of supporting tables and the *IMDB Research Series – Technical Notes* providing information about data sources, a glossary of terms and concepts as well as additional notes.

The IMDB 2009 Immigration Category Profiles will be available in fall, 2012.

IMDB research series - technical notes

The IMDB 2008 Research Series – Technical Notes provide information about data sources, a glossary of terms and concepts as well as additional notes. The notes will be updated as required with the release of the IMDB 2009 Core Report and the IMDB 2009 Immigration Category Profiles.

Executive summary

This report complements the National Portrait and taken together, the Provincial Portrait and the National Portrait form the IMDB 2008 Core Report which is the central report of Research and Evaluation's Longitudinal Immigrant Database (IMDB) Research Series describing immigrant outcomes for 2008.

The purpose of this report is to offer information about immigrant outcomes in each province or region (due to their small size Atlantic provinces are grouped together into the Atlantic Region¹). Immigrant outcomes are interpreted through the lens of the incidence of entry employment earnings, average entry employment earnings (before income taxes) and growth of average employment earnings during immigrants' first five years in Canada for landing cohorts 2000-2007 and tax years 2001-2008. However, in order to provide the reader with a comprehensive picture a longer time horizon is sometimes warranted. Thus, the charts and figures in this report may provide data going back as far as 1980. There is a special focus on skilled worker principal applicants (SWPAs), but information about other immigration categories by way of comparison is also provided. A breakdown of immigrants by province or region and landing year provides context for the analyses of outcomes.

The primary data source is the IMDB. Other datasets, such as the Research Data Mart (RDM) and special tabulations from the Canada Revenue Agency (CRA) are also used. More information about the data sources, a glossary of terms and concepts, and additional notes is available in the IMDB 2008 Research Series-Technical Notes.²

The tables in the appendices provide some of the data discussed in this report. Readers should note that the analyses that follow only include those aged 15 years and older.

Entries

Ontario continues to be the top immigrant receiving province, however, over the period 2000-2008, its share fell from about 59% to 45%. Much of this shift in shares benefited Quebec, Manitoba and Alberta whose shares rose from 14% to 18%, 2% to 4.5%, and 6% to 10% respectively. Except for Ontario, the incidence of entry employment earnings increased for the provinces/region over the period. Manitoba and Alberta happened to have the highest incidence of entry employment earnings over the period at 87% and 83% in 2008, respectively. The incidence in Ontario, Quebec and the Atlantic Region was rather low over the period at 65% in 2008.

Entry employment earnings

There was variation in immigrants' average employment earnings one year after landing (average entry employment earnings) by province/region in 2001-2008. Average entry employment earnings in Alberta were among the two highest after 2000 and the highest in 2007. Together with Saskatchewan and British Columbia, Alberta saw the largest increases in average entry employment earnings (about \$7,000) during this period. In 2008, Alberta's average entry employment earnings were \$32,280. British Columbia climbed from second last to the highest average entry employment

¹ Although they are grouped together in this report, the IMDB and RDM provide data for each of them separately.

² The IMDB 2008 Research Series – Technical Notes is available at <u>cicintranet/connexion/govern-gouverne/research-recherche/pdf/imdb-bdim/0301TechnicalNotes-eng.pdf</u>.

³ For a definition of 'incidence' please refer to the IMDB 2008 Research Series – Technical Notes is available at cicintranet/connexion/govern-gouverne/research-recherche/pdf/imdb-bdim/0301TechnicalNotes-eng.pdf.

earnings in 2008 (on par with Alberta). Saskatchewan's ranking changed considerably as well, from third last to second highest (\$27,000). Average entry employment earnings for those in Ontario were solidly in the middle of the pack since 2003 (about \$23,000) while those in Quebec were the lowest in Canada and fell slightly throughout the period (to \$19,390 in 2008). Given slight increases in average entry employment earnings, the Atlantic Region and Manitoba ended the period with \$23,860 and \$21,760, respectively.

The proportion of immigrants' average entry employment earnings to the average employment earnings of all workers in the province/region (provincial/regional average) was stable for the period 2001-2008, except for Atlantic Region and Saskatchewan (which changed by about 10 percentage points). Atlantic immigrants saw their average entry employment earnings decline relative to the regional average to 70% in 2008, which was still amongst the highest in Canada. Conversely, Saskatchewan immigrants saw their proportion rise to about 70%. Immigrants in Quebec, Alberta and British Columbia all had stable average entry employment earnings relative to their provincial average (50%) until the last year or two of the period when they rose by about 10%. On the other hand, the proportions for Ontario and Manitoba were generally stable over the period at 50% and 60%, respectively.

For cohorts landing in 2000-2003⁴, Atlantic Region immigrants reported average employment earnings that were 10% above (2000-2002) or on par (2003) with the regional average five years after landing. By this measure, this was the best performance in Canada five years after landing for these cohorts. Average employment earnings five years after landing for 2000-2003 cohorts in British Columbia, Alberta and Ontario were only 70% of the provincial average, while those in Manitoba and Saskatchewan were about 80%. They were 70% for 2000-2002 cohorts and 80% for 2003 cohort in Quebec.

Skilled worker principal applicants

Since they are selected specifically for their skills and ability to integrate into Canada's labour market, it is not surprising that the incidence and employment earnings of SWPAs are higher than the immigrant average in all provinces/region, although their average entry employment earnings may be lower than the provincial/regional average. As they spend more time in Canada, they generally surpass the provincial/regional average, but the number of years required to do this varies by cohort and province.

In 2008, Ontario and Quebec received the majority of SWPAs, 43% and 32% respectively, while British Columbia and Alberta received 14% and 8% respectively. SWPAs in the latter provinces had the highest incidence of entry employment earnings⁵ at 82% and 92.5% respectively. Those in Ontario and Quebec had 79% and 75%, respectively

In regard to average entry employment earnings, SWPA cohorts landing (2000-2007) in Alberta earned the most, ranging from \$32,000 to \$46,000, followed by Saskatchewan (\$28,000 – 38,000), Ontario (\$26,000 – 36,000), British Columbia (\$24,000 – \$36,000) and Manitoba (\$26,000 – \$30,000). The Atlantic Region and Quebec SWPAs' average entry employment earnings were within the \$20,000 - \$25,000 range. The average employment earnings of SWPAs in all provinces/region increased generally five years after landing, with Alberta still the leader. The variation of average employment earnings for SWPAs amongst the provinces/region becomes more significant with

⁴ 2003 is the last cohort for which we have five years of employment earnings growth data.

⁵ Saskatchewan also has a very high incidence (90%) but received only 0.5% of Canada's SWPAs (200) in 2008.

more time in Canada. For example, Alberta's 2003 SWPAs cohort earned an annual average of about \$32,000 more than their lowest earning counterpart (Quebec) five years after landing.

The performance of SWPAs (cohorts landing 2000-2007) change somewhat when the average employment earnings were considered in comparison to the provincial/regional average. SWPAs in Saskatchewan and in the Atlantic Region were above the provincial/regional average in the first year after landing while those in Alberta were below, but reached the provincial average three years after landing. It generally took SWPAs in other provinces longer to reach the provincial average. For example, the average entry employment earnings of SWPAs (2003 cohort) in Alberta were only 70% of the provincial average and 130% of the provincial average five years after landing. In contrast the same cohort in Saskatchewan and the Atlantic Region had average entry employment earnings at 110% and 140% of the provincial/regional average, respectively. Their proportions increased to 130% and 150% five years after landing, respectively. By this measure, SWPAs in Saskatchewan and the Atlantic Region performed better compared to those in all other provinces.⁶

 6 Figure A1 in Appendix A shows the average employment earnings relative to the provincial/regional average for the 2003 SWPA cohort for all provinces/region.