



Citizenship and
Immigration Canada

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The Labour Market Progression of the LSIC Immigrants

A Perspective from the Second Wave of the Longitudinal
Survey of Immigrants to Canada (LSIC)-Two Years after
Landing

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Canada

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Introduction

Labour market participation is a key aspect of the settlement and integration process for newcomers in Canada. Results from the first wave of the LSIC showed that during the first six months most of the LSIC immigrants had tried to enter the labour market, and 4 out of 10 had found work¹. As time goes by, have these newcomers progressed in the labour market? The second wave of LSIC can offer insights on the labour market experience of the new immigrants two years after arrival².

Highlights of the 2nd wave are as follows:

- Employment increased as time went on among all immigration categories. Two years after landing, the employment rate³ for all LSIC immigrants was 58%, substantially higher than the 6-month employment rate of 44%.
- The participation rate⁴ in the labour market for the LSIC immigrants increased from 70% six months after landing to 81% two years after arrival.
- Although there were quite a few signs of progress in the labour market, many of the immigrants who had looked for jobs encountered barriers.
- Skilled worker principal applicants had the highest employment rate at the end of the first two-year period while refugees made the most progress from 21% at 6 months to 44% at two years after landing.
- The immigrants in prime working age groups (25-44 years) and those in the Prairies had relatively stronger labour market outcomes.
- Immigrants from North America, Oceania and the Philippines made greatest gains in the labour market.
- Compared with the situations during the first six months in Canada, more immigrants worked in full-time jobs and more found employment in intended occupations and higher-skilled jobs two years after arrival. The overall level of job satisfaction also increased.

Definitions of labour force statistics in the paper

Labour force: in this paper, the labour force consists of the LSIC immigrants aged 15 and over who had been employed OR unemployed (that is, those who did not work but had been actively looking for work) since landing (Wave 1) or last interview (Wave 2). This definition of labour force here is not directly comparable to the LFS definition, as the reference periods are not comparable (the LFS uses a four-week search period).

Not in the labour force: the LSIC immigrants who had not been employed or looked for a job since landing (Wave 1) or last interview (Wave 2).

Participation rate: the number of the LSIC immigrants in the labour force over the total number of the LSIC immigrants aged 15 and over (i.e. the overall LSIC population).

¹ See Publication “Overview of the Employment Situation of New Immigrants” (1st Wave Employment Paper) for an in-depth look at employment outcomes of the immigrants at 6 months after landing.

² If not specified, the estimates presented in this paper are based on the 9,322 immigrants who landed in Canada from abroad between October 2000 and September 2001, and who participated in the wave one and wave two interviews of the LSIC, which represent about 160,800 immigrants from the LSIC target population.

³ For definition of “employment rate” for the LSIC immigrants, see definition box at the bottom of the page.

⁴ For definition of “participation rate” for the LSIC immigrants, see definition box at the bottom of the page.

Employment rate: the number of currently employed LSIC immigrants over the total number of the LSIC immigrants aged 15 and over (i.e. the overall LSIC population).

Unemployment rate: the number of the LSIC immigrants who are currently unemployed over the total number of the LSIC immigrants in the labour force.

Since last interview, six out of ten immigrants looked for a job

Since the first wave interview, 58% of 160,800 immigrants had looked for work. It is worth noting that the overall proportion trying to find employment decreased compared with 71% in the first six months. This most likely is explained by the fact that some immigrants who found employment in the first six months did not look for another job during the defined period. The participation rate, which includes both those employed and those looking for jobs, provides a better indication of intensity of labour market attachment.

Table 1: Finding employment, by immigration category --- Wave 2

	Immigration Category					All Immigrants
	Family Class	Skilled Workers (PA)	Skilled Workers (S&D)	Refugees	Others ¹	
Total number of immigrants	43,131	55,976	40,812	9,811	11,072	160,801
Immigrants who looked for employment since last interview						
Number	20,523	38,237	23,769	5,890	4,871	93,290
Percentage of all immigrants	48 %	68 %	58 %	60 %	44 %	58 %
How immigrants looked for employment (selected methods)²						
Internet	33 %	76 %	55 %	23 %	28 %	55 %
Newspaper ads	53 %	58 %	53 %	46 %	50 %	54 %
Friends/Relatives	64 %	46 %	48 %	63 %	51 %	52 %
Contact employers	48 %	44 %	47 %	55 %	45 %	47 %
Employment agency	21 %	35 %	27 %	24 %	15 %	28 %
Co-workers	12 %	8 %	7 %	7 %	6 %	9 %

¹ Others include immigrants in Economic category other than Skilled Workers and a small number of immigrants landed in categories other than Family, Economic and Refugees.

² Based on immigrants who looked for employment since last interview. Totals may exceed 100% because multiple responses were allowed.

Source: *Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)*

The proportions trying to find employment differed by immigration category, ranging from 48% for family class to 68% for skilled worker principal applicants (PA). A notable change from the Wave 1 interview is the increased proportion of refugees looking for work (60% in Wave 2 versus 47% in Wave 1).

The methods through which immigrants looked for jobs changed slightly: searching the internet ranked the most popular, followed closely by looking in newspapers, asking friends and relatives, and directly contacting employers. Contacting employers was the most popular method to look for work in the first wave results. The preferences for job search methods also varied by immigration category. For skilled workers, both principal applicants (PA) and spouses and dependants (S&D), searching on the internet was the most popular way to find jobs, followed by looking in newspaper ads. For family class immigrants and refugees, asking friends or relatives was used most often to look for employment.

By gender (Table 2), a higher proportion of males (64%) than females (52%) looked for employment since last interview. Male immigrants were more likely to search the internet for job information while females preferred newspaper ads and asking friends or relatives.

Table 2: Finding employment, by gender --- Wave 2

	Male	Female	All Immigrants
Total number of immigrants	79,507	81,295	160,801
Immigrants who looked for work since last interview			
Number	50,819	42,472	93,290
Percentage of all immigrants	64 %	52 %	58 %
How immigrants looked for employment (selected methods)¹			
Internet	61 %	48 %	55 %
Newspaper ads	56 %	52 %	54 %
Friends/Relatives	52 %	52 %	52 %
Contact employers	47 %	46 %	47 %
Employment agency	31 %	25 %	28 %
Co-workers	9 %	8 %	9 %

¹ Based on immigrants who looked for employment since last interview. Totals may exceed 100% because multiple responses were allowed.

Source: *Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)*

Majority of immigrants finding employment encountered difficulties

Finding employment in a new labour market is not easy. Nearly 7 out of 10 immigrants who had looked for jobs since the first wave interview reported that they had encountered at least one difficulty. While all immigration categories had large proportions of immigrants who reported difficulties in finding jobs, skilled worker principal applicants had the highest proportion (73%) followed by refugees (71%) and skilled worker spouses and dependants (70%).

Table 3: Employment Difficulties, by immigration category --- Wave 2

	Immigration Category					All Immigrants
	Family Class	Skilled Workers (PA)	Skilled Workers (S&D)	Refugees	Others	
Immigrants who tried to find employment	20,523	38,237	23,769	5,890	4,871	93,290
Immigrants reporting difficulties finding job						
Number	12,248	28,051	16,605	4,169	2,788	63,860
Percentage of immigrants who tried to find job	60%	73%	70%	71%	57%	68%
Most serious difficulty (selected types)						
Not enough job experience in Canada	25%	27%	28%	26%	23%	27%
Language problems	21%	9%	18%	30%	16%	15%
Not enough jobs available	17%	16%	12%	10%	17%	15%
Qualifications outside Canada not accepted	8%	10%	11%	6%	11%	10%
Job experience outside Canada not accepted	2%	14%	9%	3% ^E	4% ^E	9%

^E Use with caution.

Source: *Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)*

When looking at difficulties in finding a job for all immigrants, lack of Canadian job experience ranked the most commonly reported serious difficulty (27%), which was the same with the Wave 1 result. Language problems were the second most commonly cited difficulty for all immigrants, although language problems were quite different by category of immigration. Refugees had the highest proportion reporting language problems at 30% while only 9% of skilled worker principal applicants reported the same problem.

If we compare the proportions reporting language problems as the most serious difficulty in finding jobs in different points of time, we can see what looks like progress in language abilities for all immigration categories. For instance, results from Wave 1 showed 33% of all family class immigrants who tried to find employment stated language problems as the most serious difficulty. Two years after arrival, only 21% family class immigrants who tried to look for a job reported language as the most serious problem.

Table 4: Employment Difficulties, by gender --- Wave 2

	Male	Female	All Immigrants
Immigrants who tried to find employment	50,819	42,472	93,290
Immigrants reporting difficulties finding job			
Number	35,127	28,733	63,860
Percentage	69%	68%	68%
Most serious difficulty (selected types)			
Not enough job experience in Canada	27%	26%	27%
Language problems	12%	20%	15%
Not enough jobs available	16%	14%	15%
Qualifications outside Canada not accepted	10%	10%	10%
Job experience outside Canada not accepted	11%	7%	9%

Source: *Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)*

It is perhaps not a surprise that male immigrants were less likely (12%) than female immigrants (20%) to report language problems, given that more males immigrated as skilled worker principal applicants (77%). Immigrants in this category are selected in part based on their language abilities.

The majority of immigrants had participated in the labour force and nearly six out of ten found work two years after arrival

For most immigrants, finding employment is a critical step for integration. In total, about 130,300 or over 80% of all immigrants had participated in the labour market after two years in Canada: either had been employed or tried to look for work. Skilled worker principal applicants had the highest participation rate (94%) while family class immigrants had the lowest (70%).

There was a participation “catch-up” for refugees: while refugees had the lowest labour market participation rate six months after arrival in Canada (44%), one and half years later, this group had increased their participation rate in the labour market dramatically (73%). Considering the fact that 70% of refugees who were not in the labour force had been studying or taking training during the first 6 months after arrival, the increased participation rate suggests that as courses or training were completed, large numbers of refugees made the move to participate in the labour market.

Table 5: Labour force status, by immigration category --- Wave 2

	Immigration Category					All Immigrants
	Family Class	Skilled Workers (PA)	Skilled Workers (S&D)	Refugees	Others	
Total number of immigrants	43,131	55,976	40,812	9,811	11,072	160,801
In the labour force¹						
Number of immigrants	30,352	52,817	32,016	7,134	7,993	130,312
Percentage of all immigrants	70%	94%	78%	73%	72%	81%
Not in the labour force²						
Number of immigrants	12,779	3,159	8,796	2,676	3,080	30,489
Percentage of all immigrants	30%	6%	22%	27%	28%	19%

¹ For the definition of labour force in this paper, see definition box at page 1.

² For the definition of “not in the labour force” in this paper, see definition box at page 1.

Source: Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)

At the time of the Wave 2 interview, about 58% of all immigrants were employed, and 23% were unemployed. There were 19% or roughly 30,500 immigrants who did not try to look for employment during the first two years in Canada. Table 6 describes the labour force status of all immigrants at the time of second interview⁵.

⁵ In the Wave 1 micro data file released in 2003, there was a variable describing the labour force status of immigrants (“currently employed”, “currently unemployed” and “not in the labour force”). However, new variables providing the labour force status for Wave 1 and 2 were created in the Wave 2 micro data file, under which the possible statuses for the LSIC immigrants are “currently employed” and “currently unemployed”. Thus, for those who were “currently unemployed” at the time of the Wave 2 interview, we can not distinguish those in the labour force from those not in the labour force solely from the newly created labour force variables.

In this paper, reported labour force status statistics are derived by the author using relevant variables in the Wave 2 micro data file, according to the definitions specified in the definition box at page 1.

Table 6: Labour force status at the time of the Wave 2 interview --- Wave 2

	Number	Percent
Currently employed	92,969	58%
Currently unemployed	37,344	23%
Not in the labour force	30,489	19%

Source: Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)

Labour force statistics varied by different characteristics of immigrants

Skilled worker principal applicants had the highest employment rate while refugees made the most gains in employment since last interview

Though the employment rate differed across immigration categories, all immigration categories made some employment gains.⁶ Two years after landing, skilled worker principal applicants had the highest employment (72%) among all immigration categories. Skilled worker spouses and dependants and family class followed with employment of 52% and 49%, respectively. Although refugees still had the lowest employment (44%), this group of immigrants had made the biggest gains in entering the labour market, given employment of 21% six months after arrival.

In contrast, at two years after landing, there were no noticeable differences in unemployment across the major immigration categories. Skilled worker principal applicants had the lowest unemployment rate (24%) while refugees had the highest unemployment rate (40%), which was higher than the rates of skilled worker spouses and dependants (33%) and family class (30%). Despite showing gains compared to the first wave at six months after arrival,⁷ high unemployment rates two years after landing indicate that recent immigrants still faced barriers to finding employment.

Table 7: Labour force statistics, by immigration category --- Wave 2

	Immigration Category					
	Family Class	Skilled Workers (PA)	Skilled Workers (S&D)	Refugees	Others	All Immigrants
Total number of immigrants	43,131	55,976	40,812	9,811	11,072	160,801
Participation rate ¹	70%	94%	78%	73%	72%	81%
Employment rate ²	49%	72%	52%	44%	52%	58%
Labour force	30,352	52,817	32,017	7,134	7,993	130,312
Unemployment rate ³	30%	24%	33%	40%	27%	29%

^{1, 2, 3} For definitions, see definition box at page 1.

Source: Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)

Females faced greater obstacles when entering labour market and immigrants of prime working age performed better

Results by gender from the second wave of the LSIC showed similar patterns to the first wave: namely, female immigrants faced greater obstacles entering the labour market and finding employment. The participation rate for females (72%) was lower than that for their male counterparts (90%), and the employment rate of 48% for females was less than that of males (68%).

⁶ From the results of the first wave, at six months after arrival, the employment rates by immigration category were: family class (39%), skilled workers (PA) (60%), skilled workers (S&D) (36%), refugees (21%) and all immigrants (44%).

⁷ From the results of the first wave, the unemployment rates by immigration category were: family class (34%), skilled workers (PA) (34%), skilled workers (S&D) (43%), refugees (51%) and all immigrants (37%).

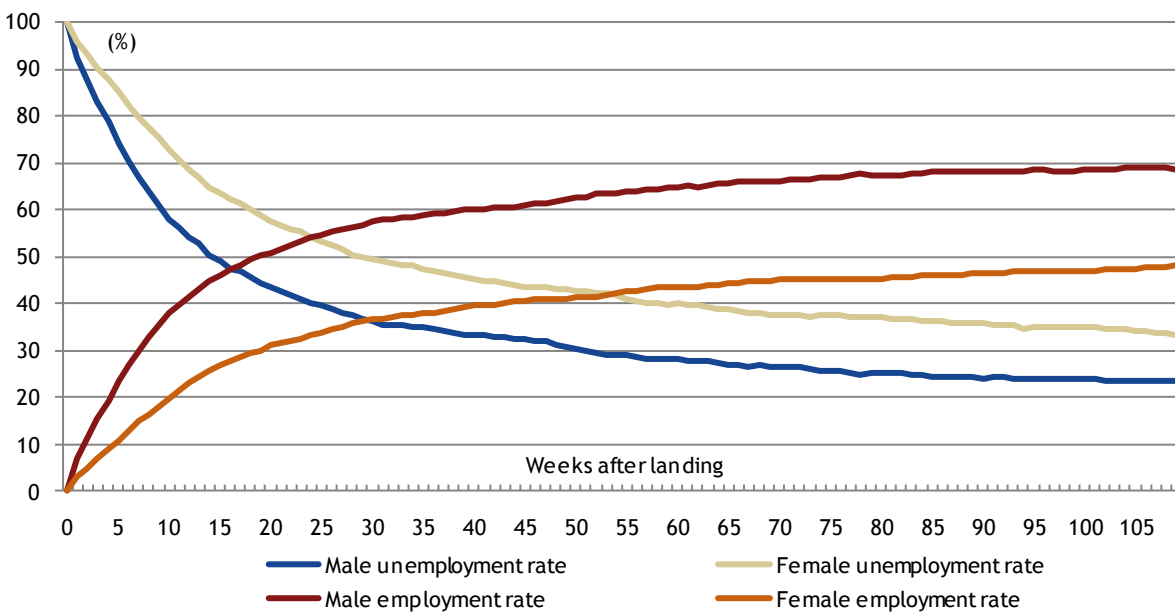
Table 8: Labour force statistics, by gender and age groups --- Wave 2

	Participation rate	Employment rate	Unemployment rate
Gender			
Male	90%	68%	24%
Female	72%	48%	34%
Age groups			
15-24	80%	50%	39%
25-44	86%	63%	27%
45-64	75%	55%	27%
65 and over	20%	9%	55%

Source: Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)

From a dynamic perspective, throughout the two years in Canada, female immigrants had worse labour market outcomes relative to males in terms of higher unemployment rate and lower employment rate at any point in time (Figure 1). Further, the gaps between the labour market statistics of male immigrants and females do not show a trend of convergence.

Figure 1: Weekly employment rate and unemployment rate, by gender --- Wave 2



Source: Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)

There are marginal differences among labour force statistics for major age groups. However, immigrants in the prime working-age group of 25 to 44 years old had the highest participation and employment rates, as well as the lowest unemployment rate at the second interview.

All the age groups except those 65 and over, had made some gains in the labour market in terms of reduced unemployment.⁸ Immigrants aged 65 and over were facing greater difficulties finding a job as compared to the first wave results.

⁸ The unemployment rates six months after arrival for all age groups were: 39% for 15-24, 36% for 25-44, 41% for 45-64, and 46% for 65 and over.

Newcomers in the Prairies were doing better while those in Quebec faced a tougher labour market

Immigrants going to the Prairies (Manitoba, Saskatchewan and Alberta) had higher employment rates and lower unemployment rates than their counterparts living in other provinces. This result is consistent with the findings of the LSIC first wave.

Table 9: Labour force statistics, by region of residence and Census Metropolitan Area (CMA) --- Wave 2

	Participation rate	Employment rate	Unemployment rate	All Immigrants (number)
Region of residence in Canada				
Atlantic	81%	52%	36% ^E	1,265
Quebec	76%	45%	40%	25,254
Ontario	82%	61%	26%	88,870
Manitoba	89%	70%	22%	3,271
Saskatchewan	88%	62%	F	598
Alberta	87%	66%	24%	13,785
British Columbia	79%	55%	30%	27,739
CMA of residence¹				
Montréal	76%	44%	42%	21,986
Ottawa - Gatineau	78%	54%	30%	5,705
Toronto	82%	61%	26%	70,695
Calgary	87%	64%	26%	8,123
Edmonton	87%	67%	23%	4,457
Vancouver	79%	55%	30%	23,974

¹ Based on 2001 Census. To form a census metropolitan area, the area must consist of one or more adjacent municipalities situated around a major urban core, which must have a population of at least 100,000.

^E Use with caution.

F: Too unreliable to be released.

Source: Longitudinal Survey of Immigrants to Canada – Wave 2 (2003)

Labour market statistics by Census Metropolitan Area (CMA) show a similar pattern as those at the provincial level. Compared with the other CMAs, those immigrants living in Edmonton had lower unemployment and higher employment. Among bigger CMAs, immigrants living in Toronto had moderately lower unemployment and higher employment than immigrants living in other major CMAs such as Vancouver and Montréal.

After two years in Canada, immigrants living in Montréal or elsewhere in the province of Quebec faced greater challenges when participating in the labour market; employment rates at different points in time were lower relative to those of other CMAs or provinces. For example, after immigrants in Quebec had been in the country for 6 months, nearly one third (32%) of them had been employed, which was the lowest rate among all the provinces and 12 percentage points below the national employment rate of all LSIC immigrants. At two years after landing, those living in Quebec increased their employment rate to 45% from 32% at 6 months after arrival, which represented the greatest gains but remained the lowest rate among provinces and well below the national level of 58%.

Immigrants from North America, Oceania and Philippines made greatest gains in the labour market

Using employment rates at certain points of time as benchmarks, it is possible to follow the labour market progress of LSIC immigrants from different world regions. Immigrants from Europe, for example, saw their employment rate rise from 50% at six months after arrival to 68% at two years after landing. Table 10 indicates that labour force statistics for newcomers from different world areas varied significantly. For instance, employment rates at two years after landing ranged from 44% for those from Middle East to 79% for those from Oceania and Australia. After the same period since landing, immigrants from Africa had the highest unemployment rate (38%) while those from North America had the lowest (12%).

Table 10: Labour force statistics, by major source areas --- Wave 2

	Participation rate	Employment rate	Unemployment rate
Place of birth - world regions			
North America	78%	68%	12%
Europe	86%	68%	21%
Asia	80%	56%	30%
Middle East	68%	45%	34%
Africa	82%	51%	38%
Caribbean and Guyana	85%	66%	22%
South and Central America	86%	64%	26%
Oceania and Australia	89%	79%	F

F: Too unreliable to be released.

Source: Longitudinal Survey of Immigrants to Canada – Wave 2 (2003)

The labour market outcomes of immigrants from the top ten source countries differed considerably (Figure 2). Newcomers from the Philippines made the greatest gains in the labour market: two years after their landing 90% of them had participated in the labour force, 77% were employed and the unemployment rate of this group was 14%. Immigrants from Romania also did well in terms of their employment rate (72%) and lower-than-average unemployment rate (21%). In contrast, newcomers from the leading source country, China, had relatively worse labour force statistics: an employment rate of 49% and an unemployment rate of 38%.

Compared with situations at 6 months after landing, immigrants from all major source countries made progress in the labour market. Among immigrants from the top ten source countries, those from South Korea, Iran, and Romania had made relatively more labour market progress in terms of significantly increased participation rates and employment rates, and sharply reduced unemployment rates.

Figure 2: Participation rate by major source countries (Wave 1 and Wave2)

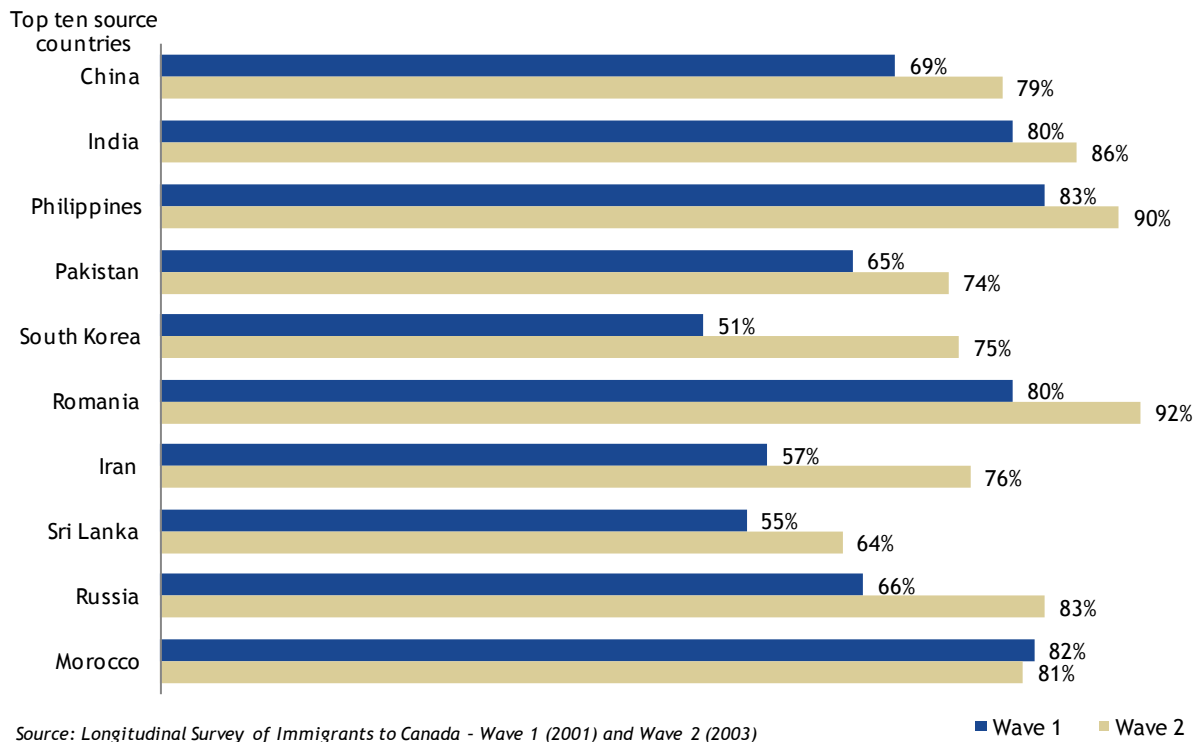


Figure 3: Employment rate by major source countries (Wave 1 and Wave 2)

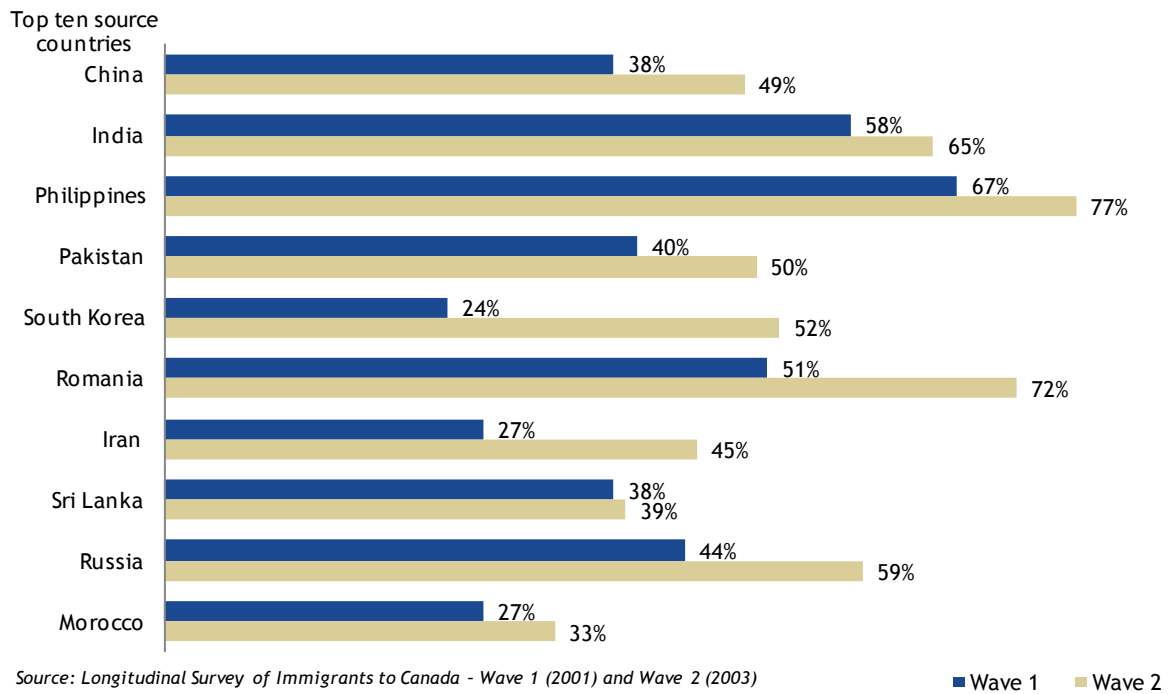
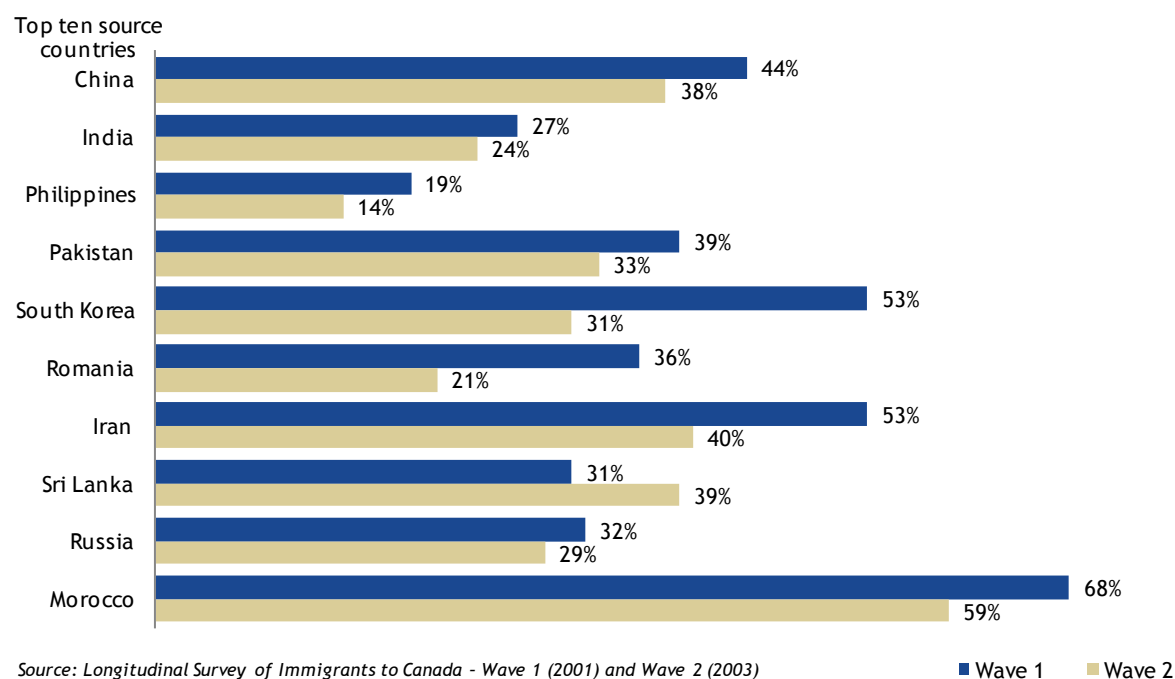


Figure 4: Unemployment rate by major source countries (Wave 1 and Wave 2)



Language skills played an important role in labour market outcomes

The results from Wave 2 support the premise that knowledge of official languages plays a critical role for participation in the labour market. At the time of the Wave 2 interview, 75% of immigrants, who could converse in at least one official language, had participated in the labour force versus only 55% of those with no official language knowledge. The pattern holds for the employment and unemployment rates. Newcomers who could converse in at least one official language had a higher employment rate (54%) and a lower unemployment rate (26%) than those who could not converse in either language (33% and 40% respectively).

Table 11: Labour force statistics, by knowledge of official languages --- Wave 2

	Participation rate	Employment rate	Unemployment rate
At least one official language	75 %	54 %	26 %
English only	85 %	63 %	26 %
French only	71 %	39 %	46 %
English and French	83 %	57 %	32 %
No official language	55 %	33 %	40 %

Source: Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)

Compared with Wave 1 results, the role that official languages play in the labour market outcomes of immigrants is evident (Figure 3). Immigrants who could converse in at least one official language made greater gains than those without official language skills, which are reflected by bigger steps in increasing employment and reducing unemployment in the second wave period. When looking at unemployment rates at the time of the Wave 2 interview, unemployment had risen for those immigrants who could not converse in either official language (40%) compared to that at six months after arrival (38%).

Figure 5: Employment rate by knowledge of official languages Wave 1 vs. Wave 2

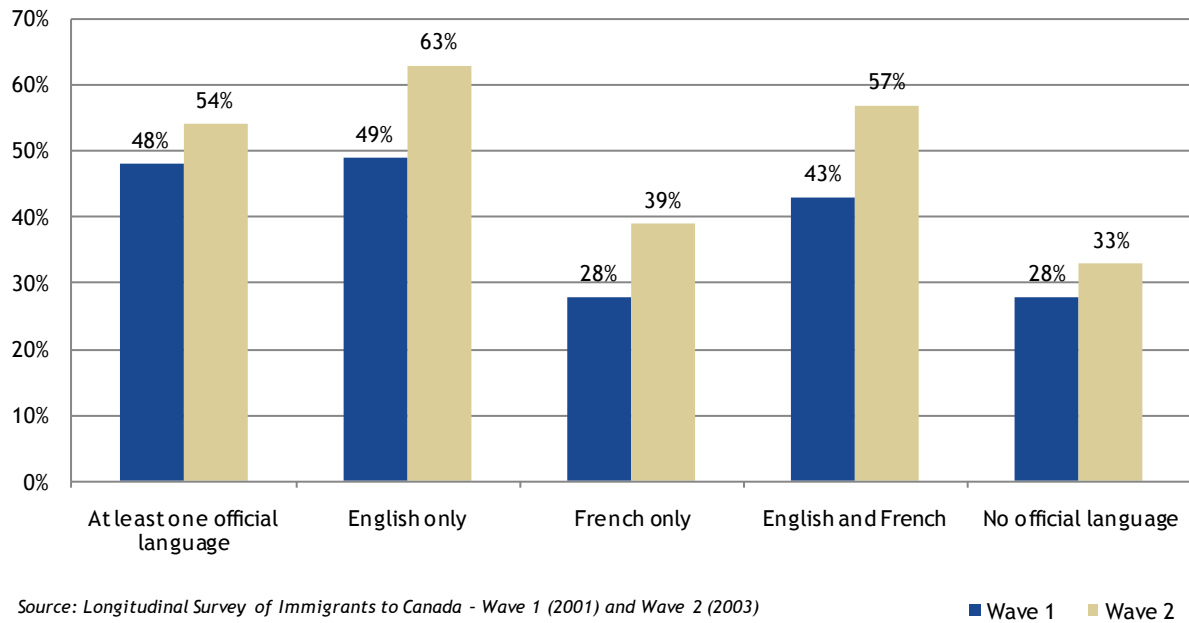
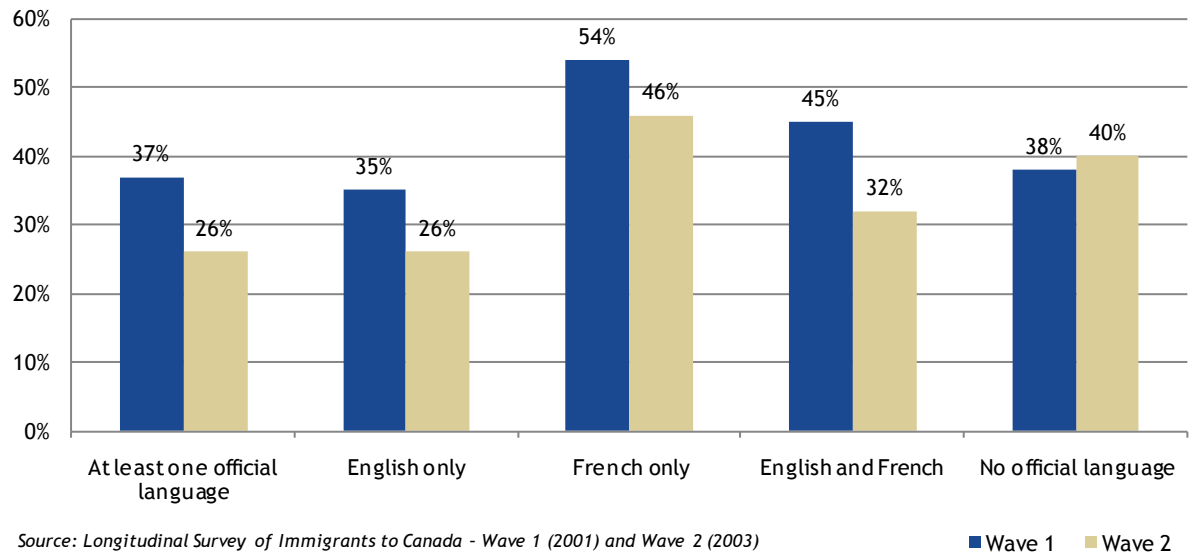


Figure 6: Unemployment rate by knowledge of official languages Wave 1 vs. Wave 2



Employment rates increased over time for all immigration categories

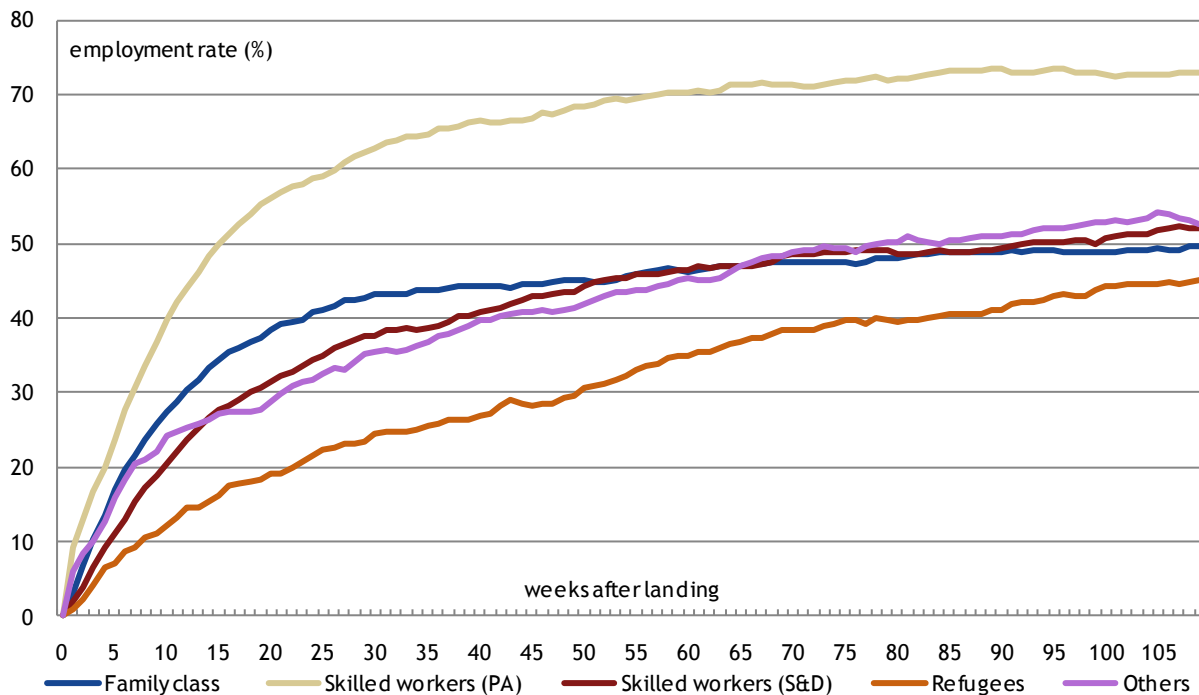
Despite various challenges in the labour market, immigrants in all immigration categories made progress over time in terms of employment. The charts below (Figure 4 and Figure 5) show employment rates and unemployment rates by immigration category on a week-by-week basis.

A large number of immigrants found employment during the initial integration period. At six months after landing (26 weeks), the employment rate for all LSIC immigrants was 45%, and one

year after arrival (52 weeks) this rate increased to 52%, and reached 58% by two years after landing (104 weeks).

Among major immigration categories, skilled worker principal applicants had the highest employment rate at any point in time throughout the first two years in Canada. This is perhaps not surprising given that this group of immigrants is selected based on their labour market attributes. It is worth noting that the refugee employment rate showed some convergence towards that of other immigration categories; the weekly employment rate of this group, though still lower relative to other categories, showed a steady upward trend. The LSIC Wave 3 will provide further information on this “catch-up” observed in refugee labour market outcomes. In contrast, the employment rate for immigrants in the family class showed only minimal progress after the initial gains in the first 6 months: the employment rate for family class immigrants was surpassed by that for skilled worker spouses and dependants by the second year after landing.

Figure 7: Weekly probability of being employed, by immigration category --- Wave 2

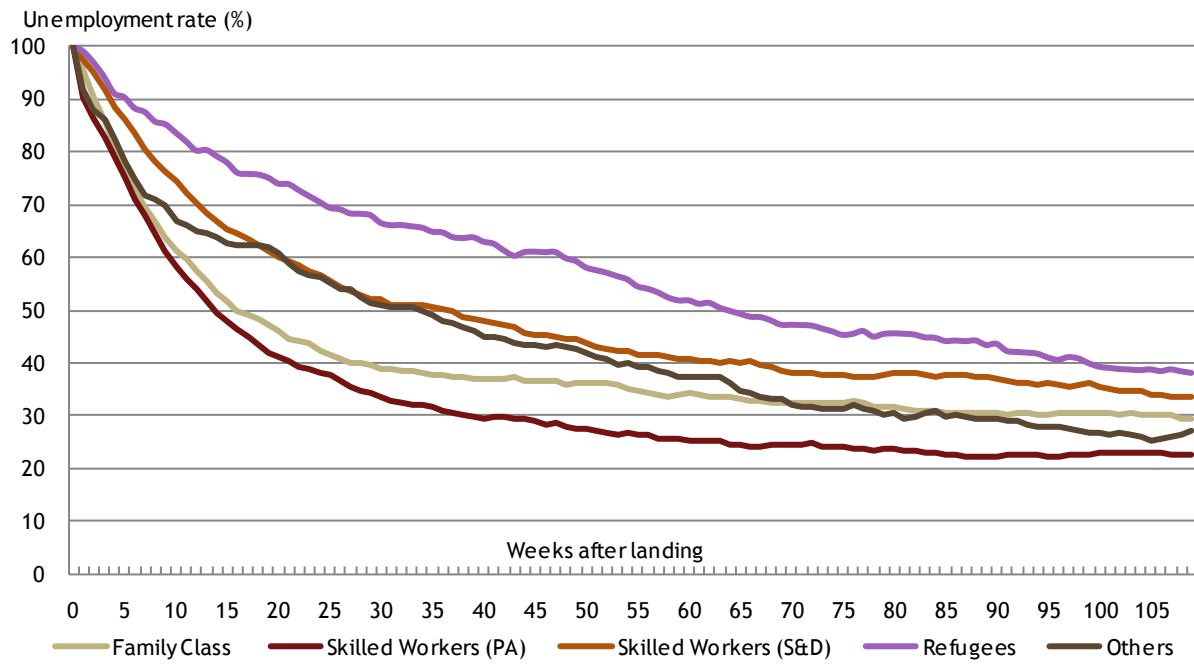


Source: Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)

At six months after arrival (26 weeks), the unemployment rate for all LSIC immigrants was 45%, and at one year after landing (52 weeks) the rate fell to 35% and further dropped to 29% by two years after arrival. Weekly unemployment rates by immigration category exhibit a pattern consistent with the employment rates (Figure 5). Refugees’ unemployment rates lowered quickly, reflected by the steeper slope of their weekly unemployment rates curve. The unemployment rates of skilled worker spouses and dependants were second highest among all immigration categories after the initial two years.

Compared to the evolving pattern of employment rates, unemployment rates for different immigration categories show greater signs of convergence, especially in the second year in Canada.

Figure 8: Weekly probability of being unemployed, by immigration category --- Wave 2



Source: Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)

Half of employed immigrants held only one job and the majority were working in full-time jobs

Of the 160,000 immigrants in the LSIC population, 75% or 120,500 had at least one job during the first two years in Canada. Of these immigrants, more than half (51%) had held only one job over the initial two years, while 31% had held two jobs. The percentages of immigrants with one, two, three, and four or more jobs, were fairly consistent across immigration categories. Skilled worker principal applicants were a little more likely to change jobs, which was reflected by the slightly higher percentages of immigrants who had two or more jobs within the first two years. The proportion of one-job holders dropped significantly from 75% at six months after landing to 51% one and half years later.

The number of jobs held since coming to Canada is fairly hard to interpret with regards to labour market outcomes due to the fact that this characteristic may be a positive or negative indicator. For example, multiple jobs since landing may indicate a progressive move towards more desirable occupations in the labour market. However, it may be an indication of instability in the labour market and problems integrating in the workforce. Further investigation in this area is warranted to offer better insights on the relationship of number of jobs held and labour market performance.

Table 12: Number of jobs, by immigration category --- Wave 2

	Immigration Category					All Immigrants
	Family Class	Skilled Workers (PA)	Skilled Workers (S&D)	Refugees	Others	
All immigrants	43,131	55,976	40,812	9,811	11,072	160,801
Number of immigrants who had a job or business since landing	28,442	49,963	29,228	5,702	7,163	120,499
Number of jobs held since coming to Canada						
One	50 %	48 %	53 %	58 %	63 %	51 %
Two	32 %	33 %	28 %	29 %	27 %	31 %
Three	12 %	13 %	13 %	11 %	8 %	12 %
Four or more	6 %	7 %	6 %	2%	3 %	6 %

Percentages are based on the number of immigrants who had a job of business since landing.

^E Use with caution.

Source: *Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)*

At the time of the Wave 2 interview, 93,000 or 58% of all LSIC immigrants were working in some kind of paid employment. Among these, the majority (79%) held full-time jobs. Skilled worker principal applicants were most likely to be employed in full-time positions (88%) compared with those in other immigration categories, such as family class (79%) and skilled worker spouses and dependants (68%). The proportion of refugees with full-time jobs was relatively lower at 63%.

Table 13: Part-time/full-time work status of current job, by immigration category --- Wave 2

	Immigration Category					
	Family Class	Skilled Workers	Skilled Workers	Refugees	Others	All Immigrants ¹
		(PA)	(S&D)			
Number of currently employed immigrants¹	21,160	40,397	21,302	4,301	5,809	92,969
Full-time ²	79%	88%	68%	63%	72%	79%
Part-time ³	21%	12%	31%	36%	27%	20%

¹ Currently employed immigrants include a small number of immigrants who did not state their part-time/full-time work status.

² Refers to the immigrants working 30 hours or more per week as a proportion of all employed immigrants at the time of the W2 interview.

³ Refers to the immigrants working less than 30 hours per week as proportion of all employed immigrants at the time of the W2 interview.

Source: *Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)*

Occupational distribution at two years after landing reveals progression towards higher-skilled jobs relative to Wave 1 results

Two years after arrival, almost 6 in 10 immigrants were working. Among these immigrants, nearly 3 of every 10 were working in sales and service occupations, followed by 15% in occupations in processing, manufacturing and utilities, 15% in natural and applied sciences and related occupations, and 14% in business, finance and administrative occupations.

Consistent with Wave 1 results, an occupational shift from higher to lower-skilled jobs relative to pre-immigration occupations was still present two years after arrival⁹. Prior to arrival, greater proportions of immigrants had worked in relatively higher-skilled occupations such as management, natural and applied sciences, health, social sciences, education, and government service occupations. After arrival, more immigrants worked in sales and service and processing, manufacturing and utilities, which are categorized as lower-skilled occupations. In fact, among the top 5 occupations after landing, natural and applied sciences and related occupations is the only high-skill occupational group.

Table 14: Occupational distribution before and after landing, Wave 1 and Wave 2¹⁰

	Before landing ¹	6 months after landing (Wave 1) ²	Two years after landing (Wave 2) ¹
Total immigrants employed at the time of interview (Wave 1 & 2)	92,969	72,141	92,969
Management Occupations	10%	4%	6%
Business, Finance and Administrative Occupations	12%	13%	14%
Natural and Applied Sciences and Related Occupations	23%	14%	15%
Health Occupations	5%	3%	4%
Occupations in Social Science, Education, Government Service and Religion	10%	5%	6%
Occupations in Art, Culture, Recreation and Sport	2%	1%	2%
Sales and Service Occupations	9%	30%	27%
Trades, Transport and Equipment Operators and Related Occupations	6%	7%	9%
Occupations Unique to Primary Industry	2%	2%	2%
Occupations Unique to Processing, Manufacturing and Utilities	4%	20%	15%
Occupation Not Identified	16%	1%	0 ⁵

¹ Based on the Wave 2 interview sample.

² Based on the Wave 1 interview sample.

Note: The occupations of immigrants are classified by the first level of occupational groupings from the Standard Occupational Classification.

0⁵: value rounded to zero.

Source: *Longitudinal Survey of Immigrants to Canada - Wave 1 (2001) and Wave 2 (2003)*

This trend is made more evident using the second level (e.g. more detailed) of occupational groupings from the Standard Occupational Classification (SOC)¹¹. Table 15 shows the most

⁹ All occupational groups can be classified by skill level based on education and training needs. Lower-skilled occupations usually require secondary school and/or occupation-specific training. Higher-skilled occupational groups usually require university education or college education and/or apprenticeship training.

¹⁰ The sample sizes in two waves are different: during the first wave of the LSIC, 12,040 immigrants were interviewed, while during the second wave, 9,322 immigrants from Wave 1 were interviewed again.

common occupations at the time of the Wave 2 interview using two-digit occupational groupings from SOC.

As shown in Table 15, female immigrants were more likely to be employed in clerical jobs and sales and service occupations (12% for both) while male immigrants were more likely to be working in professional occupations in natural and applied sciences.

Table 15: Most common occupations of current job, by gender --- Wave 2

	Gender		All
	Male	Female	Immigrants
Number of employed immigrants	54,306	38,663	92,969
Top Occupations of current job			
Professional Occupations in Natural and Applied Sciences	14%	6%	10%
Sales and Service Occupations n.e.c.	8%	12%	9%
Clerical Occupations	6%	12%	9%
Machine Operators in Manufacturing	8%	6%	7%
Technical Occupations Related to Natural and Applied Sciences	6%	2%	5%
Teachers and Professors	4%	5%	4%
Labourers in Processing, Manufacturing and Utilities	4%	4%	4%

Percentages are based on the number of immigrants who were employed at the time of the W2 interview.

Note: The occupation groups in this table list two-digit occupational groupings from the Standard Occupational Classification.

Source: *Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)*

Analysis of occupational data reveals some progression towards higher-skilled occupations over time (e.g. as compared to the Wave 1 interview). For example, at six months after landing, 4% of working immigrants held jobs in management occupations whereas at two years after landing a greater proportion (6%) were working in this occupational group. The same pattern was identified for other high-skilled occupations: social science, education, government services, health, and business, finance and administrative occupations (as shown in Table 14).

¹¹ Analysis performed on the type of employment level at the time of interview as identified by the major occupational groups of the Standard Occupational Classification (SOC) – i.e., at the two-digit level.

Table 16: Most common occupation at the time of interview, Wave 1 and Wave 2¹²

	Wave 1		Wave 2
Number of employed immigrants at the time of interview	72,141		92,969
	Percentage	Rank	
Top Occupations			
Professional Occupations in Natural and Applied Sciences	11%	2	10%
Sales and Service Occupations n.e.c.	13%	1	9%
Clerical Occupations	11%	3	9%
Machine Operators in Manufacturing	8%	4	7%
Technical Occupations Related to Natural and Applied Sciences	-	-	5%
Teachers and Professors	-	-	4%
Labourers in Processing, Manufacturing and Utilities	5%	5	4%

Percentages are based on the number of immigrants who were employed at the time of the W1 or W2 interview. Note: The occupation groups in this table list two-digit occupational groupings from the Standard Occupational Classification.

Source: Longitudinal Survey of Immigrants to Canada - Wave 1 (2001) and Wave 2 (2003)

Similarly, as shown in Table 16, professional occupations in natural and applied sciences became the most common occupational group two years after arrival, while at six months after landing sales and service occupations ranked first. Technical occupations related to natural and applied sciences entered into the top 5 most common occupations at 2 years after landing while labourers in processing, manufacturing and utilities dropped below the top 5. The Wave 2 interview suggests modest progress in the job market as characterized by job movements to higher-skilled occupations.

The third wave of LSIC will provide additional insight on job progression of the LSIC immigrant population.

¹² The sample sizes in two waves are different: during the first wave of the LSIC, 12,040 immigrants were interviewed, while during the second wave, 9,322 immigrants from wave 1 were interviewed again.

More skilled worker principal applicants worked in intended occupations than one and a half years ago

Wave 2 results show 94% (52,800 out of 56,000) skilled worker principal applicants had participated in the labour market; 72% found employment at two years after arrival. This compares favourably to Wave 1 results which showed that 60% of skilled worker principal applicants had secured employment after 6 months in Canada.

Of the skilled worker principal applicants who were working at the time of the Wave 2 interview¹³, 36% were working in their intended occupations. As a comparison, 33% of skilled worker principal applicants were working in an intended occupation 6 months after arrival. The results from the second wave therefore show some modest gains for skilled worker principal applicants finding jobs in intended occupations.

Table 17: Labour force status of Skilled Worker Principal Applicants, by selected intended occupations - -- Wave 2

	Professional Occupations in Natural and Applied Sciences	Professional Occupations in Business and Finance	Technical Occupations Related to Natural and Applied Sciences	Teachers and Professors	Clerical Occupations	All intended Occupations ¹
Number of Skilled Workers (PA)¹	21,427	3,403	2,396	2,355	1,879	44,643
Currently unemployed or not in the labour force	32%	30%	24%	21%	27%	28%
Currently employed	68%	70%	76%	79%	73%	72%
Number of currently employed Skilled Workers (PA)¹	14,622	2,370	1,819	1,852	1,366	32,363
Employed in a different than intended occupation	61%	63%	77%	43%	75%	64%
Employed in intended occupation	39%	37%	23%	57%	25%	36%

¹ Excludes Skilled Workers (PA) for whom the intended occupation was not recorded or could not be coded.

Source: Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)

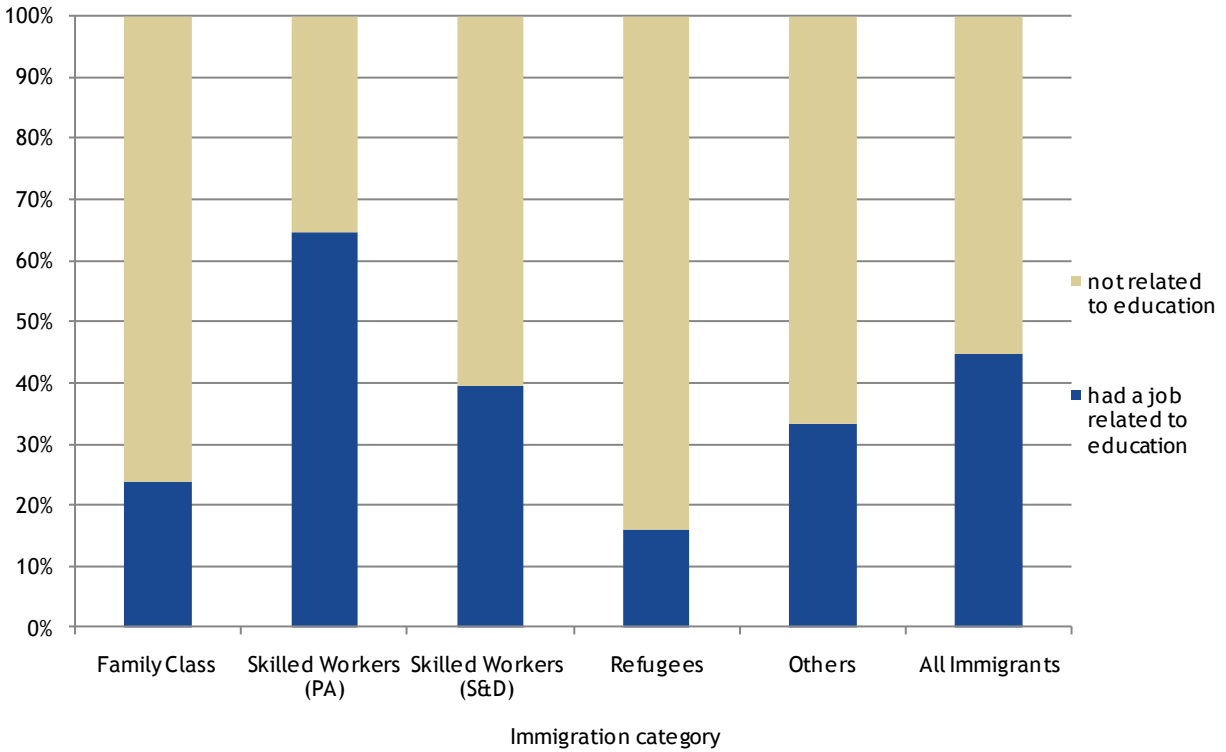
The top 5 intended occupational groupings of immigrants, with the exception of clerical occupations, are all characterized as high-skill occupations, requiring at least college or university education. The relatively low proportions of those employed in their intended occupations indicate that skilled worker principal applicants may have challenges finding work in their intended field.

Among the 118,100 immigrants who had a job since the last interview, skilled worker principal applicants were much more likely to find a job related to their education (65%) than their

¹³ Excluding skilled worker principal applicants who did not state their intended occupations or whose intended occupation could not be coded.

counterparts in other immigration categories. As seen from the chart below, refugees were least likely to find a job related to their education. However, large numbers (27% or 2,700) of refugees were enrolled in educational courses. Wave 3 will shed more light on training and labour market outcomes.

Figure 9: Had a job related to education, by immigration category --- Wave 2



Source: Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)

Majority of working immigrants satisfied with their jobs

In spite of reported challenges, the proportion of the immigrants who reported they were very satisfied or satisfied with their jobs increased from 75% at 6 months after arrival to 84% at two years after landing.

While immigrants in all major immigration categories had high levels of job satisfaction (very satisfied or satisfied), the level was highest for immigrants in the family class (88%), followed closely by refugees (84%), and skilled workers (83% for both principal applicants and spouses and dependants). Skilled worker principal applicants had the highest proportion stating they were very satisfied with their jobs (25%).

Table 18: Job satisfaction, by immigration category --- Wave 2

	Immigration Category					All Immigrants
	Family Class	Skilled Workers (PA)	Skilled Workers (S&D)	Refugees	Others	
	5,161	10,052	4,301	666	1,497	21,677
Very satisfied	24%	25%	20%	15%	26%	23%
	13,475	23,517	13,294	2,944	3,617	56,846
Satisfied	64%	58%	62%	68%	62%	61%
	2,161	5,486	3,325	547	509	12,028
Dissatisfied	10%	14%	16%	13%	9%	13%
	310	1,214	361	143 ^E	F	2,195
Very dissatisfied	1%	3%	2%	3% ^F	F	2%
All immigrants currently employed¹	21,160	40,397	21,302	4,301	5,809	92,969

¹ All immigrants include a small number of immigrants who did not respond to the question.

^E Use with caution.

F: Too unreliable to be released.

Source: *Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)*

Immigrants with a job related to their education seemed to be more satisfied than those working in an area unrelated to their education. About 9 in 10 immigrants working in an occupation related to their education felt either very satisfied or satisfied with their current job, while 79% of immigrants who were working in an occupation different from their education were feeling the same way about their occupations.

Reasons for employment termination varied

Although only in Canada for two years, the LSIC immigrants had already made some job transitions in the labour market. During the one and a half years between the first wave interview and the second wave interview, there were about 79,300 employment departures. The majority of job terminations (62%) were initiated by immigrants themselves while the remaining 37% were initiated by the employer due to such things as layoff/business slowdown, temporary jobs, or seasonality of employment.

Table 19: Reason for employment departure, by immigration category --- Wave 2

	Immigration Category					All Immigrants ¹
	Family Class	Skilled Workers (PA)	Skilled Workers (S&D)	Refugees	Others	
Number of job termination	20,144	32,389	19,752	3,642	3,335	79,261
Left job	62%	59%	67%	62%	70%	62%
Job came to an end	36%	40%	32%	37%	29%	37%

¹ Includes a small number of immigrants whose reason to stop working is not specified.

Source: Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)

The reasons for employment termination differed across immigration categories. Skilled worker spouse and dependants were most likely to leave the job of their own volition (67%) while skilled worker principal applicants were more likely to have their employment ended by the employer (40%). The finding that skilled worker principal applicants were more subject to involuntary termination of job contrasts with the results of Wave 1, which show higher proportions of refugees and family class immigrants with involuntary job terminations.

Table 20: Top 3 reasons for involuntary job termination, by immigration category --- Wave 2

	Immigration Category					All Immigrants ¹
	Family Class	Skilled Workers (PA)	Skilled Workers (S&D)	Refugees	Others	
Number of involuntary job departure¹	7,281	13,029	6,410	1,337	972	29,028
Layoff/business slowdown	40%	40%	40%	55%	41%	41%
Temporary job/contract ended	20%	40%	30%	20%	29%	31%
Seasonal nature of work	20%	5%	10%	10% ^E	F	10%

¹ Includes a small number of immigrants whose reason to stop working was not specified.

^E Use with caution.

F: Too unreliable to be released.

Source: Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)

For all immigrants, the most common reason for involuntary job departure was layoff or business slowdown. However, skilled worker principal applicants had the highest proportion reporting loss of employment due to the temporary nature of work (e.g., contract work). Although skilled worker principal applicants were more likely to find employment compared with other categories, it seems a higher proportion accepted work of a temporary/contract nature. This type of employment may be

an indication of skilled worker principal applicants trying to accumulate job experience in the new labour market.

Among voluntary job departures, having found a new job was the top reason (41%), followed by going to school (18%) and feeling dissatisfied with job (17%). The highest proportion of voluntary job termination due to another working opportunity was among skilled worker principal applicants (52%). Refugees were most likely to leave a job for school reasons (27%), which is consistent with the result that these immigrants were the most active participators in post-arrival education and training.

Table 21: Top 3 reasons for leaving job voluntarily, by immigration category --- Wave 2

	Immigration Category					
	Family Class	Skilled Workers (PA)	Skilled Workers (S&D)	Refugees	Others	All Immigrants ¹
Number of voluntary job departure¹	12,500	19,038	13,228	2,271	2,340	49,377
Found new job	35%	52%	33%	30%	37%	41%
School	10%	19%	22%	27%	23%	18%
Dissatisfied with job	20%	15%	17%	19%	18%	17%

¹ Includes a small number of immigrants whose reason to stop working was not specified.

Source: Longitudinal Survey of Immigrants to Canada - Wave 2 (2003)

The reasons for leaving a job voluntarily differed slightly by gender. In addition to those reasons cited by their male counterparts (such as found a new job, for school and dissatisfied with job), a large number of female immigrants left employment to care for their own children.

Conclusion

Compared with the situations during the first six months in Canada, a lot more immigrants secured employment, and employment in intended occupations and higher-skilled jobs rose modestly by two years after arrival. Although immigrants made considerable gains in the Canadian labour market, they still faced challenges in finding employment. The unemployment rate of 29% at two years after landing, though reduced compared to 37% at 6 months after arrival, was much higher than the Canadian average rate at 7.6% in 2003¹⁴. Among those with employment, the occupational distribution continues to show a pattern characterized by lower skill levels relative to their pre-migration jobs.

The initial two years in Canada have seen the LSIC immigrants making transitions in the new labour market. As time went on, more immigrants have made steps forward towards intended fields and higher-skilled employment.

LSIC Wave 3 is going to provide further information necessary to conduct the research on the determinants of labour market outcomes of newcomers. In-depth analysis based on all LSIC waves will help to explain the complexity of the integration process of immigrants to Canada, especially among recent immigrants who landed after 2000.

¹⁴ Statistics Canada, *Canadian Economic Observer*, February 2004.