

IMDB 2008 Core Report
National Portrait of Immigrant Outcomes:
2001 - 2008 Employment Earnings

March, 2012



IMDB 2008 research series

IMDB core report

The *IMDB 2008 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 2008 Core Report – National Portrait of Immigrant Outcomes*, 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.

The report includes appendices containing a full set of supporting tables and the *IMDB 2008 Research Series – Technical Notes* providing information about data sources, a glossary of terms and concepts, as well as additional notes.

Table of contents

Executive summary	iii
National overview	1
All immigrants	1
Outcomes by immigration category	2
<i>Immigrants with entry employment earnings: Category distribution</i>	<i>2</i>
<i>Entry employment earnings by immigration category</i>	<i>3</i>
<i>Skilled worker principal applicants</i>	<i>3</i>
<i>Skilled worker principal applicant entry employment earnings by gender</i>	<i>5</i>
<i>Skilled worker principal applicants employment earnings by age at landing</i>	<i>6</i>
<i>Intended occupation highlights for skilled worker principal applicants</i>	<i>7</i>
<i>Provincial nominee principal applicants</i>	<i>10</i>
<i>Family class immigrants, economic spouses and dependents, and refugees</i>	<i>12</i>
 Appendix A: Tables of average employment earnings for all immigrants and selected immigrant categories by years since landing	 15
 Appendix B: IMDB 2008 research series – technical notes	 20
Data sources	20
Glossary of terms and concepts	21
Additional notes	24

List of tables

Table 1: Composition of Immigrants with Entry Employment Earnings by Immigration Category and Landing Year, 2000-2007	2
Table 2: Distribution (%) of skilled worker principal applicants with entry employment earnings by landing cohort and gender	5
Table 3: Average entry employment earnings (2008\$) for skilled worker principal applicants by landing cohort and gender	6
Table 4: Distribution of skilled worker principal applicants with entry employment earnings by landing cohort and age at landing	6
Table 5: Average entry employment earnings (2008\$) for skilled worker principal applicants, by landing cohort and age at landing	7
Table 6: Shares (%) of top ten intended 2-digit NOCs for skilled workers principal applicants by landing year, 2000-2008	8
Table 7: Comparison of average entry employment earnings (2008\$) and earnings growth for PNPAS and SWPAS for landing cohorts 2000-2007	12
Table 8: Average employment earnings (2008\$) for all immigrants by years since landing (YSL) and landing cohort, 1980-2007	15
Table 9: Average employment earnings (2008\$) for skilled worker principal applicants by years since landing (YSL) and landing cohort, 1980-2007	16
Table 10: Average employment earnings (2008\$) for provincial nominee principal applicants by years since landing (YSL) and landing cohort, 1999-2007	16
Table 11: Average employment earnings (2008\$) for family class by years since landing (YSL) and landing cohort, 1980-2007	17
Table 12: Average employment earnings (2008\$) for economic spouses & dependants	18
Table 13: Average employment earnings (2008\$) for refugees by years since landing (YSL) and landing cohort, 1980-2007	19
Table 14: Capture rates by category and years since landing for tax year 2008	25

List of figures

Figure 1: Average employment earnings (2008\$) for all immigrants by landing year and tax year, 1981-2008	1
Figure 2: Average entry employment earnings (2008\$) by immigration category and tax year, 1981-2008	3
Figure 3: Incidence of immigrants with entry employment earnings, by immigration category and tax year, 1981-2008	4

Figure 4: Average employment earnings (2008\$) for skilled worker principal applicants by landing cohort and tax year, 1981-2008 5

Figure 5: Incidence of entry employment earnings of skilled worker principal applicants intending to work in one of the top six intended occupations by tax year, 2000-2008 9

Figure 6: Average entry employment earnings (2008\$) for skilled worker principal applicants intending to work in one of the top six intended occupations by tax year, 2000-2008 10

Figure 7: Average employment earnings (2008\$) for provincial nominee principal applicants by landing cohort and tax year, 2000-2008 11

Figure 8: Average employment earnings (2008\$) for family class by landing cohort and tax year, 1981-2008 12

Figure 9: Average employment earnings (2008\$) for economic spouses and dependents by landing cohort and tax year, 1981-2008 13

Figure 10: Average employment earnings (2008\$) for refugees by landing cohort and tax year, 1981-2008 14

Executive summary

This report is a follow-up to previous reports on immigrants' labour market outcomes and is the central report of Research and Evaluation's Longitudinal Immigrant Database (IMDB) 2008 Research Series describing immigrant outcomes. Other reports in the series include the *Provincial Portrait* and the *IMDB 2008 Immigration Category Profiles* describing outcomes by immigration category.

Previous reports examined labour market outcomes of immigrants up to the 2005 tax year and the 2004 landing cohort.¹ This report updates the previous analyses for the 2006-2008 tax years and the 2005-2007 landing cohorts. As in the previous reports, the focus is on the incidence of 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 to 2007 and tax years 2001 to 2008. Many of the charts and tables, however, provide data back to 1981. 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. Data related to the tables and charts in this report can be found in the appendix. 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* (Appendix B).

This report examines outcomes by immigration category, with a special focus on skilled worker principal applicants (SWPAs) including their gender, age at immigration and occupational group, and provides information about other immigration classes by way of comparison. Due to this report's reliance on the IMDB, which uses taxation records, this report only includes those aged 15 years and over who file an income tax return.

Between 2001 and 2008, labour market outcomes as measured by average employment earnings improved somewhat for the average Canadian (from \$38,122 to \$41,068 or 7.7%). But, within this overall picture there were significant differences among groups.

If we examine the last four years of this period (2005-2008), we see that although considerably lower than average Canadian employment earnings, average entry employment earnings for all immigrants (one year after landing) increased from \$20,543 for the 2004 cohort to \$23,862 for the 2007 cohort, an increase of \$3,319 (16%) compared to an increase of \$1,793 (4.5%) for all Canadians for the same period (see Table 8 in the appendix for more information). This trend resulted in the proportion of immigrant entry employment earnings rising relative to the average Canadian employment earnings from 51% in 2005 to 58% in 2008. The narrower gap was mainly due to steady increases in entry employment earnings of SWPAs and provincial nominee principal applicants (PNPAs). Since 2002, PNPAs had the highest average entry employment earnings of all immigrant categories, followed by SWPAs, with differences between the two ranging from \$7,000 to \$12,000.

Between 2005 and 2008, SWPAs average entry employment earnings increased from \$27,801 to \$33,839, an increase of \$6,038 (22%). Although still below the Canadian average, the increase in average entry employment earnings meant an increase in the proportion of SWPAs average entry employment earnings relative to the Canadian average from 71% to 82% over this period.

¹ Stan Kustec and Colleen Dempsey, *Recent Immigrant Outcomes* (2003); Stan Kustec and Colleen Dempsey, *Recent Immigrant Outcomes* (2004); Stan Kustec and Li Xue, *Recent immigrant outcomes - 2005 Employment earnings*. www.cic.gc.ca/english/resources/research/index.asp

PNPAs also saw an increase of \$2,573(6%) - from \$40,144 in 2005 to \$42, 717 in 2008. Their average entry employment earnings are very close to or above the Canadian average.

Between 2001 and 2008, PNPAs had the highest incidence of entry employment earnings of the five immigration categories analysed in this report: about 90%, above the SWPAs' average of 80% and well above the 69% average for all immigrants and the Canadian average of 67% (in 2008).

Although PNPAs ranked first in terms of entry employment earnings, their average employment earnings growth was significantly slower than SWPAs – for instance PNPAs recorded average employment earnings growth of roughly 9% and 8% in the second and third year after landing while the comparable figures for SWPAs were 20% and 15% for 2001 to 2005 landing cohorts. After 2002, while the average employment earnings of SWPAs surpass the average Canadian employment earnings within four years of landing, PNPAs do it within the first year. In contrast, the average employment earnings of all immigrants do not reach the Canadian average within their 16 years in the database, although more recent cohorts (2001-2005) have posted growth averaging roughly 17% and 12% in the second and third years after landing.

Between 2000 and 2007, the SWPA share of all immigrants with entry employment earnings declined from 36.9% for cohorts landing in 2000 to 24.2% for the 2007 landing cohort, while the PNPA share rose from 0.4% to 4.8% over the same period. This change in distribution of the two highest earning immigrant categories may also have had an impact on the overall immigrant earnings.

With regard to SWPAs, the gender differential in average entry employment earnings for SWPAs widened between 2001 and 2008. In terms of age, older SWPAs tended to have higher average entry employment earnings since 2003.

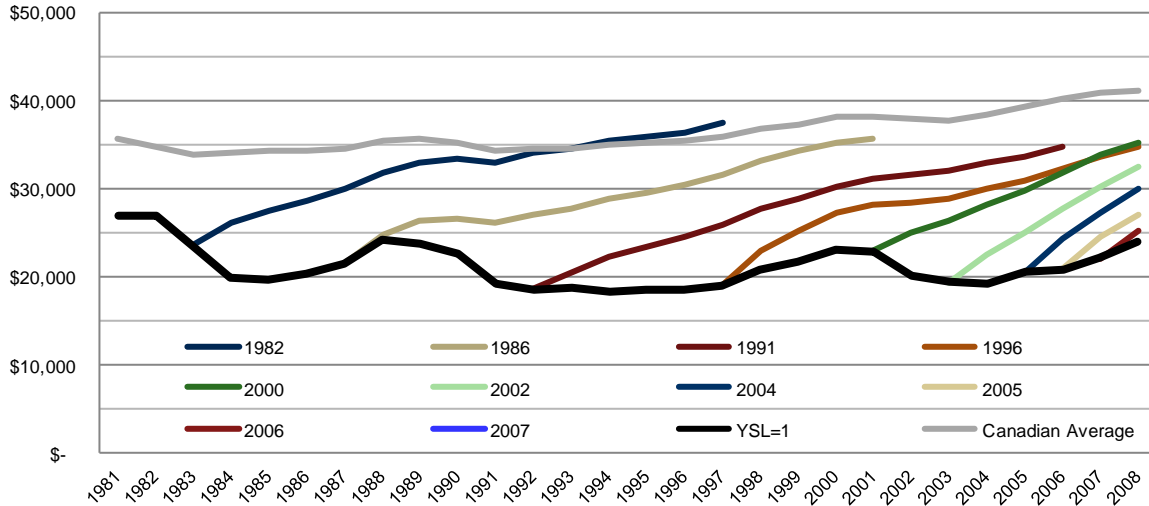
Outcomes for the other immigrant classes such as family class immigrants, refugees, and economic spouses and dependants (economic S&D) were quite different. These classes had much lower incidences of entry employment and average employment earnings, consistent with the different motivations for immigrating of these immigrant groups and other factors relating to their human and social capital as well as the length of time usually required for them to find employment. Although their average employment earnings also grew in the years after landing (albeit at a slower pace than the two groups mentioned above), average entry employment earnings remained rather flat over the period.

National overview

All immigrants

Average entry employment earnings of all immigrants declined after 2000, but started a recovery in the 2005 tax year, which has continued through 2008 at a rate much faster than the average employment earnings growth of all Canadians² (Figure 1).

Figure 1: Average employment earnings (2008\$) for all immigrants by landing year and tax year, 1981-2008



Source: IMDB, 2008 and CRA, 2008, Table 8 in the appendix **Tax year**

- Average entry employment earnings for all immigrants increased from \$20,543 in 2005 to \$23,862 in 2008 – an increase of \$3,319 or 16%. This compares to an increase of \$1,793 (4.6%) for all Canadians over the same period.
- The number of years it takes immigrants to catch up to Canadian average employment earnings varies by cohort. Cohorts who arrived in 1981 and 1982 reached and surpassed the Canadian average in about 11 years, but those arriving later did not reach that level before exiting the database 16 years later.

Despite the variation in average entry employment earnings for landing cohorts between 2000 and 2007, all cohorts saw consistent gains in subsequent years.

- Average employment earnings of all immigrants landing between 2001 and 2005 posted growths – averaging roughly 17% and 12% in the second and third years after landing.
- Cohorts landings in 2001-2003 had lower average entry employment earnings, but experienced healthy gains later: roughly 16% and 11% in the second and third years after landing respectively.

² For definition of average employment earnings of all Canadians, and a discussion of comparing immigrant employment earnings with average employment earnings of all Canadians, please see the *IMDB 2008 Research Series - Technical Notes*.

- Immigrants who landed during 2004-2005 noted more rapid growth in average employment earnings in the second and third years after landing: roughly 18% and 12% respectively.
- Growth in average employment earnings for the 2006 cohort was only 14% in the second year after landing. It is too early to know whether this signals a slower trend.

Outcomes by immigration category

Immigrants with entry employment earnings: Category distribution

Two determinants of changes in the trend of overall immigrant average entry employment earnings are changes in the average entry employment earnings of each immigration category and the changing composition by category. Table 1 shows how the composition by category has changed in recent years and Figure 2 shows how average entry earnings by immigrant category have changed over the years.

Among all immigrants who reported entry employment earnings in the IMDB, the proportion of family class and other immigrants rose while the proportion of economic class immigrants declined between 2000 and 2007.

Table 1: Composition of Immigrants with Entry Employment Earnings by Immigration Category and Landing Year, 2000-2007

Landing year	2000	2001	2002	2003	2004	2005	2006	2007
Total Immigrants	91,960	97,895	87,325	87,450	94,010	102,680	93,485	92,240
Family class	27.9	27.6	28.7	31.7	28.9	28.4	32.7	31.9
Economic Class	61.2	63.1	60.1	52.9	54.9	56.1	53.2	53.8
<i>Skilled Worker - PA</i>	36.9	36.6	35.1	29.5	29.3	27.9	24.9	24.2
<i>PN - PA</i>	0.4	0.3	0.6	1.2	1.7	1.9	3.3	4.8
<i>Other economic - PA</i>	3.2	3.9	3.3	3.5	3.9	4.2	4.8	4.9
<i>Economic - S&D</i>	20.7	22.4	21.1	18.7	20.0	22.2	20.2	19.9
Refugees	10.7	9.2	9.3	10.9	13.1	12.7	10.4	9.6
Other	0.2	0.1	2.0	4.5	3.2	2.8	3.7	4.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

PA = Principal applicants

S&D = Spouses and dependants

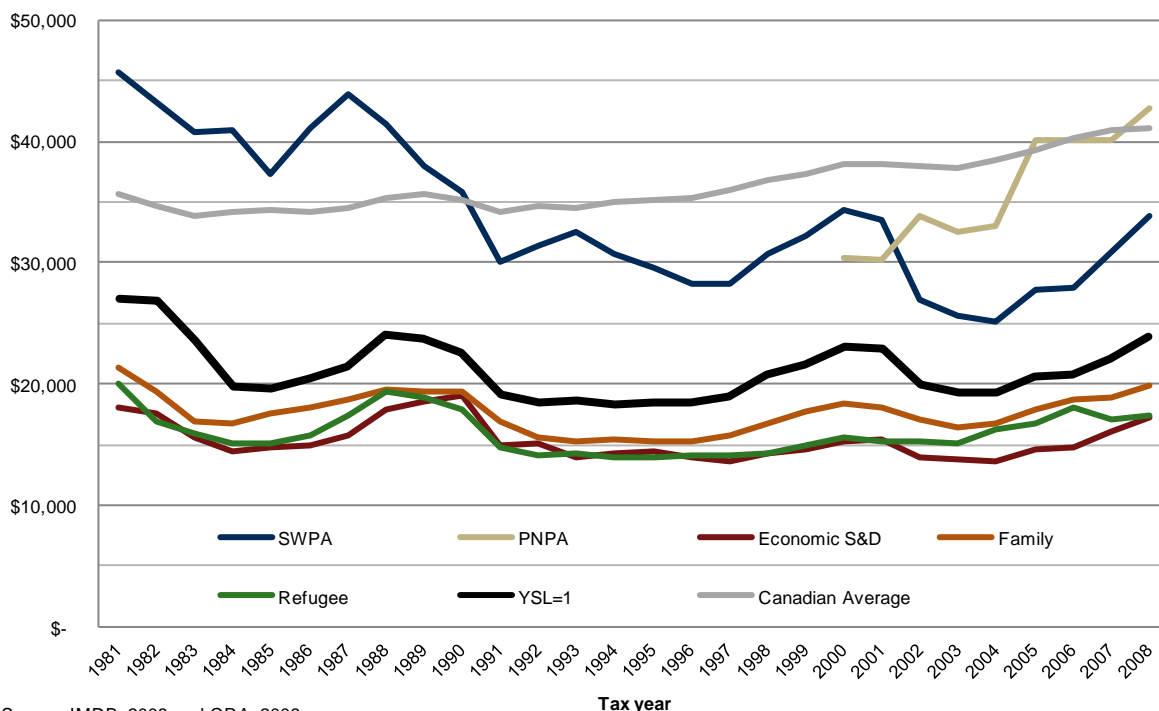
Source: IMDB 2008

- For the economic class, the proportion of SWPAs declined continuously for each landing cohort between 2000 and 2007 dropping from 36.9% in 2000 to 24.2% in 2007.
- The total number and share of PNPAs increased after 2001. In 2001, PNPAs made up less than 1% of the total immigrants with entry employment earnings; that proportion rose to nearly 2% for the 2004 landing cohort and to almost 5% for the 2007 landing cohort.
- Family class made up roughly 30% of immigrants between the 2000 and 2007 landing years, economic S&D made up about 20% and refugees accounted for 10%.

Entry employment earnings by immigration category

The increase in immigrant average entry employment earnings between 2005 and 2008 varied among immigration categories but all remained below average Canadian employment earnings except PNPA's (Figure 2).

Figure 2: Average entry employment earnings (2008\$) by immigration category and tax year, 1981-2008



Source: IMDB, 2008 and CRA, 2008

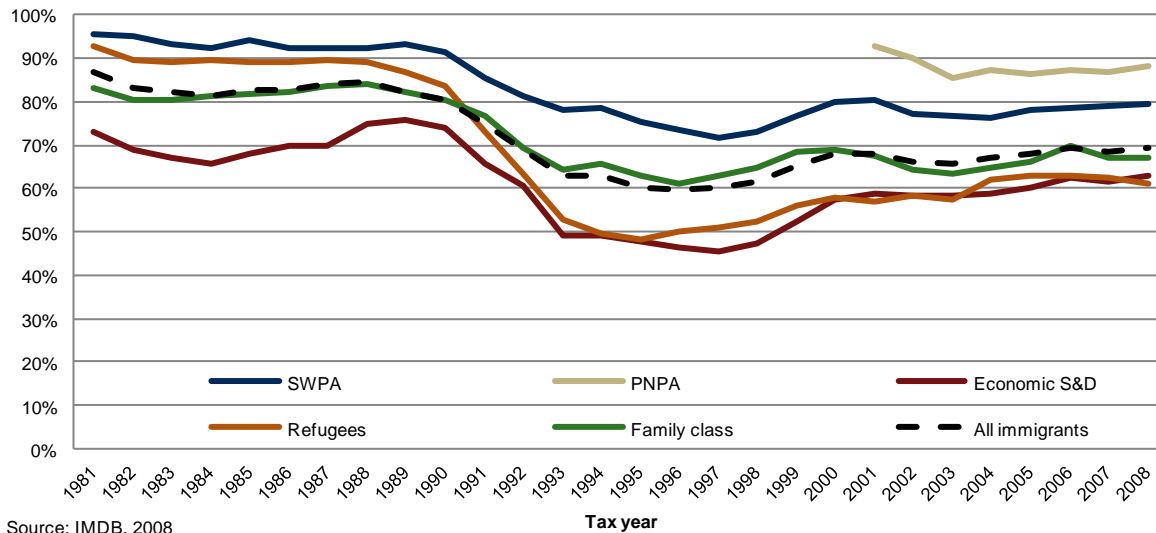
- SWPAs experienced the largest increase in entry employment earnings, followed by economic S&D, PNPA's and then family class.
- After increasing 21.5% between 2004 and 2005, average entry employment earnings of PNPA's remained at the same level for two years before rising again in 2008.
- Average entry employment earnings of refugees showed small fluctuations between 2006 and 2008.

Skilled worker principal applicants

SWPAs who landed between 2000 and 2007 initially experienced a decreasing incidence of employment earnings one year after landing. It fell from 80.6% in 2001 to 76.4% in 2004, but recovered during 2005 to 2008 bringing the incidence rate back up to 79.5% in 2008 (Figure 3).³

³ Please see the glossary in the *IMDB 2008 Research Series - Technical Notes* for a definition of "incidence of employment earnings".

Figure 3: Incidence of immigrants with entry employment earnings, by immigration category and tax year, 1981-2008



Source: IMDB, 2008

The average entry employment earnings of SWPAs, who are selected for their labour market attributes and known to have relatively stronger labour market attachment, exceed those of all other immigrant categories except PNPAs (Figure 2).

- For cohorts landing between 2001 and 2007, SWPAs’ average entry employment earnings were well below average Canadian employment earnings and below average entry employment earnings of PNPAs.
- Between 2006 and 2008, average entry employment earnings of SWPAs increased significantly faster than the Canadian average – by \$5,986 (21.5%) compared to only \$821 (2%) for all Canadians.
- Although a significant gap between the average entry employment earnings of SWPAs and the Canadian average was evident during the 2000s, the difference between average entry employment earnings of SWPAs and the Canadian average has been narrowing – from \$13,344 for the 2004 cohort to \$7,229 for the 2007 cohort. Put differently, SWPAs average entry employment earnings amounted to 69% of the Canadian average in 2005 and increased to 82% by 2008.

Figure 4: Average employment earnings (2008\$) for skilled worker principal applicants by landing cohort and tax year, 1981-2008

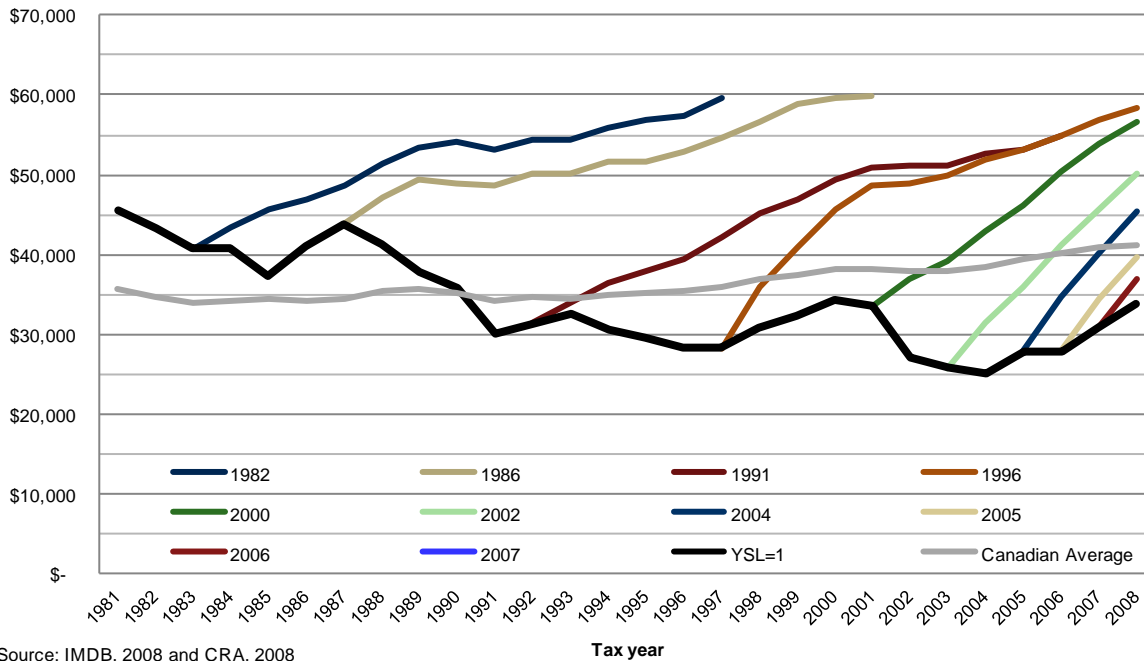


Figure 4 shows that for all SWPA landing cohorts, average employment earnings of those landing between 2001 and 2005 posted rapid growth – averaging roughly 20% and 15% in the second and third years after landing. The most recent trends (early 2000s landing cohorts) indicate that within four years of landing, average employment earnings of SWPAs surpass average Canadian employment earnings. (See Table 9 in the appendix.)

Skilled worker principal applicant entry employment earnings by gender

Although males continued to dominate the skilled worker principal applicant population, the share of females with entry employment earnings increased every year between 2001 and 2007 (Table 2).

Table 2: Distribution (%) of skilled worker principal applicants with entry employment earnings by landing cohort and gender

Landing Cohort	Total number	Male	Female	Total
2000	41,150	77.0	23.0	100.0
2001	35,800	77.5	22.5	100.0
2002	30,615	76.6	23.4	100.0
2003	25,825	74.8	25.2	100.0
2004	27,535	72.0	28.0	100.0
2005	28,640	71.5	28.5	100.0
2006	23,305	70.5	29.5	100.0
2007	22,320	68.6	31.4	100.0

Source: IMDB, 2008 and CRA, 2008

- For the 2001 cohort, 77.5% of SWPAs with entry employment earnings were male and 22.5% were female. By the 2007 cohort, the share of females increased to 31.4%.

- The gender composition of SWPAs with entry employment earnings over these years is similar to the gender composition of SWPA landings.

Table 3: Average entry employment earnings (2008\$) for skilled worker principal applicants by landing cohort and gender

Landing Cohort	Male		Female		Total	
	Earnings (\$)	Δ	Earnings (\$)	Δ	Earnings (\$)	Δ
2000	35,133	-	27,757	-	33,492	-2.4
2001	28,193	-19.8	22,554	-18.7	26,923	-21.6
2002	27,109	-3.8	21,033	-6.7	25,686	-4.6
2003	26,401	-2.6	21,348	1.5	25,129	-2.2
2004	29,944	13.4	22,278	4.4	27,801	10.6
2005	29,838	-0.4	22,859	2.6	27,853	0.2
2006	33,401	11.9	24,849	8.7	30,876	10.9
2007	36,945	10.6	27,065	8.9	33,839	9.6

Δ indicates the percentage change in average employment earnings from the previous year.

Source: IMDB, 2008 and CRA, 2008

Table 3 shows the gender differential in average entry employment earnings for SWPAs.

- The gender differential in average entry employment earnings for SWPAs widened over the period. For the 2001 cohorts, the female-male SWPAs employment earnings gap was \$5,639 with females earning 80% of males. For the 2007 cohort, the gap had increased to \$9,880 and females only earned 73% of males.
- After the decline in average entry employment earnings in 2002 noted above, females recovered one year sooner than males. However, except for the 2005 cohort, growth was consistently slower for females than males.

Skilled worker principal applicants employment earnings by age at landing

The vast majority (approximately 97%) of SWPAs with entry employment earnings are between the ages of 21 years to 49 years (Table 4).

Table 4: Distribution of skilled worker principal applicants with entry employment earnings by landing cohort and age at landing

Landing Cohort	Total number	Percentage			
		15-20*	21-29	30-49	50+
2001	35,800	0.0	28.5	70.4	1.0
2002	30,615	0.0	27.8	71.0	1.2
2003	25,825	0.0	27.3	71.5	1.2
2004	27,535	0.0	25.0	73.3	1.6
2005	28,640	0.0	21.4	76.2	2.4
2006	23,305	0.0	24.1	72.8	3.0
2007	22,320	0.0	26.5	70.1	3.4

*Total number for the group aged 15-20 for the period 2001-2007 is 60.

Source: IMDB, 2008 and CRA, 2008

- Those who land at the older end of the range tend to have higher incidences of entry employment earnings: the largest proportion with entry employment earnings was aged 30-49 followed by those aged 21-29.

SWPAs who were older at time of landing also tended to have higher average entry employment earnings than those who landed at younger ages (Table 5).

Table 5: Average entry employment earnings (2008\$) for skilled worker principal applicants, by landing cohort and age at landing

Landing Cohort	15-20		21-29		30-49		50+		Total	
	2008\$	Δ	2008\$	Δ	2008\$	Δ	2008\$	Δ	2008\$	Δ
2001	14,169	-	27,004	-	26,789	-	34,741	-	26,923	-21.6
2002	14,742	4.0	25,076	-7.1	25,807	-3.7	33,012	-5.0	25,686	-4.6
2003	6,223	-57.8	23,515	-6.2	25,484	-1.3	40,809	23.6	25,129	-2.2
2004	8,767	40.9	26,253	11.6	28,087	10.2	39,049	-4.3	27,801	10.6
2005	9,163	4.5	27,767	5.8	27,671	-1.5	34,632	-11.3	27,853	0.2
2006	9,502	3.7	29,681	6.9	31,094	12.4	35,244	1.8	30,876	10.9
2007	15,378	61.9	31,593	6.4	34,366	10.5	40,753	15.6	33,839	9.6

Δ indicates the percentage change in average employment earnings from the previous year.

Source: IMDB, 2008 and CRA, 2008

- SWPAs aged 50 and over had the highest average entry employment earnings, although as Table 4 indicates, they comprised a relatively small proportion of the group.
- The recovery from the slump in 2001 occurred at different times across age groups. For instance, entry employment earnings for those aged 29 and under started to rise in 2004 while those aged 50 and over did not experience more than a year of steady increases in entry employment earnings until 2006.

Intended occupation highlights for skilled worker principal applicants⁴

Two-thirds of SWPAs who landed in 2008 intended to work in one of six occupational groups⁵: professional occupations in natural and applied sciences (NOC 21); professional occupations in social sciences, education, government services and religion (NOC 41); skilled administrative and business occupations (NOC12); technical occupations related to natural and applied sciences (NOC 22); professional occupations in health (NOC31); and professional occupations in business and finance (NOC11).

⁴ Intended occupations declared by SWPAs are based on their labour market attributes at the time of application (e.g. skills, qualifications and work experiences), making them an important element of the SWPAs outcome assessment. SWPAs' actual occupations after landing could differ from intended occupations identified in the application for permanent residency.

⁵ Intended occupations were classified based on the two-digit National Occupational Classifications (NOC). For more information please see the *IMDB 2008 Research Series - Technical Notes*.

Table 6: Shares (%) of top ten intended 2-digit NOCs for skilled workers principal applicants by landing year, 2000-2008⁶

2-Digit NOC -Major Occupational Group	2000	2001	2002	2003	2004	2005	2006	2007	2008
21 - Professional Occupations in Natural and Applied Sciences	54.2	52.6	50.2	53.4	44.8	40.0	32.9	27.8	23.3
41 - Professional Occupations in Social Science, Education, Government Services and Religion	4.2	4.7	5.1	5.7	9.2	10.3	13.6	14.9	16.2
12 - Skilled Administrative and Business Occupations	4.1	3.7	3.8	3.9	4.5	4.9	5.5	6.3	7.5
22 - Technical Occupations Related to Natural and Applied Sciences	6.4	7.2	7.6	6.3	6.0	6.6	6.6	7.6	6.9
31 - Professional Occupations in Health	1.7	1.8	2.4	2.6	3.9	4.3	4.8	5.6	6.3
11 - Professional Occupations in Business and Finance	7.3	7.5	7.9	7.8	7.6	7.1	6.5	6.4	6.3
Top Six Two Digit NOC	77.9	77.5	77.0	79.7	76.0	73.2	69.9	68.6	66.5
06 - Management - Sales and Service	0.6	0.6	0.7	0.8	1.9	2.9	3.4	3.9	4.8
01 - Management - Business, Finance and	1.8	2.2	2.2	2.4	2.6	3.2	3.1	3.3	3.6
62 - Skilled Sales and Service Occupations	3.8	3.6	3.9	3.6	3.6	3.4	3.7	3.5	3.6
51 - Professional Occupations in Art and Culture	2.4	2.3	2.5	2.6	2.8	2.5	2.3	2.4	2.2
Top Ten 2-Digit NOC	86.6	86.2	86.3	89.1	87.0	85.0	82.3	81.6	80.8
Other 2-Digit NOC	13.4	13.8	13.7	10.9	13.0	15.0	17.7	18.4	19.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: RDM

The shares of occupations within this group of six changed between 2000 and 2008 especially that of NOC21 which fell sharply over the period (Table 6). Corresponding increases in the shares of occupations that were too small to be included in the group of the top ten intended occupations resulted in greater occupational diversification by the end of the period.

- Although NOC 21 had the largest share of intended occupations in 2008, its share plummeted from 54.2% in 2000 to 23.3% in 2008.
- The share of SWPAs planning to work in NOC41 rose most, from 4.2% to 16.2% between 2000 and 2008.
- Shares of a few other intended occupations such as NOC 31, NOC06, and NOC12 increased about 4 percentage points between 2000 and 2008.

⁶ Intended occupations are ranked based on 2008 data

Figure 5: Incidence of entry employment earnings of skilled worker principal applicants intending to work in one of the top six intended occupations by tax year, 2000-2008

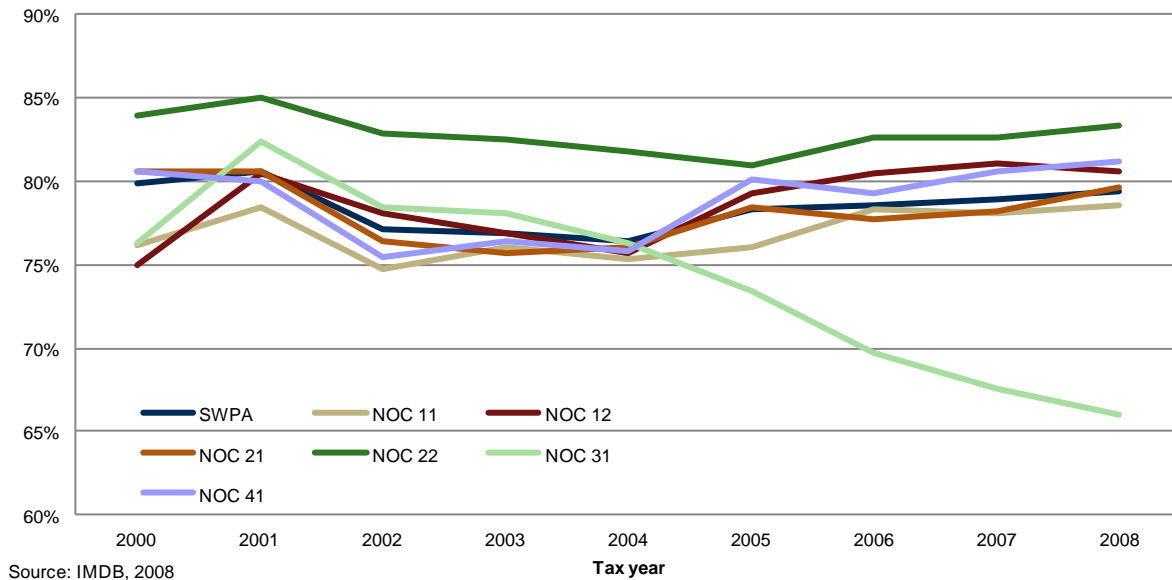


Figure 5 shows the incidence of entry employment earnings of SWPAs intending to work in one of the top six intended occupations over the period 2000 to 2008. All groups declined in the early 2000s and recovered after the mid-2000s, except professional occupations in health which continued to decline.

- The trend for NOC21 was similar to the average for all SWPAs: a decline in the early part of the 2000s and a recovery in the middle of the decade. By 2008, the incidence had risen to 79.6%, just shy of what it had been in 2000 (80.6%) before the downturn.
- NOC22 varied little between 2000 and 2008. This group is mainly composed of technical occupations to support engineering and computer and information systems.
- As noted above, the incidence of employment earnings for NOC31 was similar to the falling average of all SWPAs until 2004 but its decline continued throughout the period. By 2008, the employment earnings incidence dropped to 65.7%, about 15 percentage points lower than the SWPA average.
- The other three intended occupations (NOC41, NOC12 and NOC11) had similar levels and trends to the SWPA average over the period.

Figure 6: Average entry employment earnings (2008\$) for skilled worker principal applicants intending to work in one of the top six intended occupations by tax year, 2000-2008

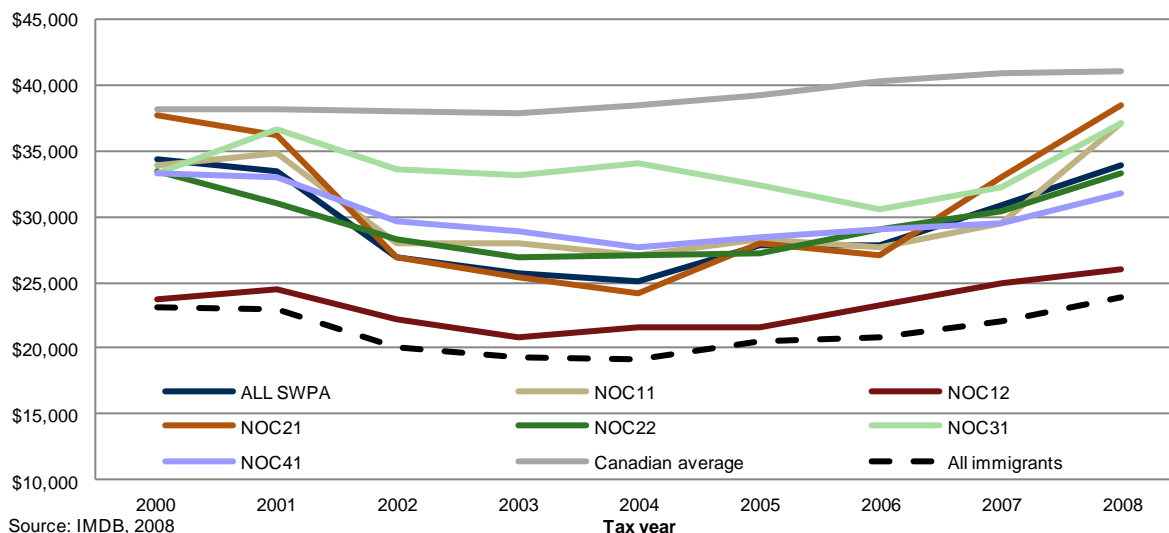


Figure 6 shows the average entry employment earnings of SWPAs intending to work in one of the top six intended occupations between 2001 and 2008. All groups declined in the early 2000s and then rose after the mid-2000s.

- Some, such as NOC21 experienced greater entry employment earnings fluctuations over the period than others (for example NOC12 which were relatively stable although much lower).
- There was a fairly large range in average entry employment earnings across these groups over the period.
- All intended occupational groups had average entry employment earnings below the Canadian average over the period.

Again, it should be noted that SWPAs may not actually be working in their intended occupation, and could be reporting entry employment earnings from other occupations.

Provincial nominee principal applicants⁷

PNPAs had the highest incidence of entry employment earnings of the five immigrant categories analysed in this report: about 90% between 2000 and 2008 (Figure 3). The incidence of entry employment earnings of PNPAs decreased in 2002 and 2003 then stabilized until 2008.

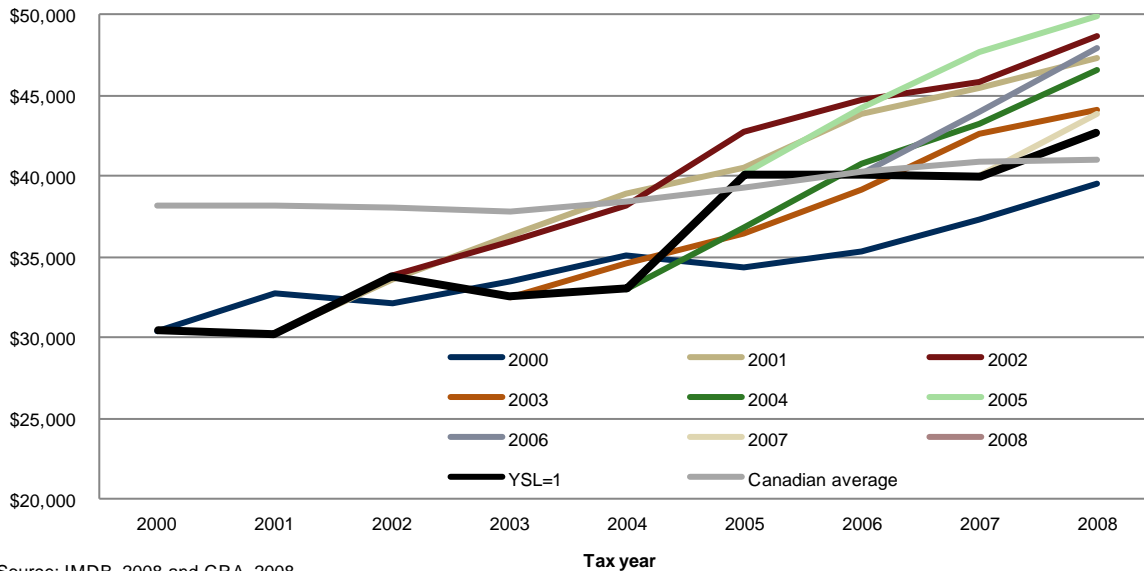
PNPAs also reported the highest average entry employment earnings (Figure 2). Since 2002, their average entry employment earnings have surpassed SWPAs. Between 2006 and 2008, their average entry employment earnings were around \$10,000 (about 30%) higher than SWPAs and consistently at or above the average employment earnings of all Canadians.

- Although average entry employment earnings of PNPAs fluctuated, they did not show an obvious downward trend during the 2000 recession as was the case for SWPAs. Average

⁷ The analysis of the Provincial Nominee Program is limited to tax years 2000-08 coinciding with the first landings of PNs in 1999.

entry employment earnings of PNPAs showed a large gain of \$9,896 (32.7%)⁸ between 2001 and 2005 then remained unchanged between 2006 and 2007, before a further \$2,700 (6.7%) gain in 2008.

Figure 7: Average employment earnings (2008\$) for provincial nominee principal applicants by landing cohort and tax year, 2000-2008



Source: IMDB, 2008 and CRA, 2008

As shown in Figure 7, average employment earnings of PNPAs rose after entry for all landing cohorts. However, the data indicate significant differences in the average employment earnings growth as compared to SWPAs.

- The average employment earnings growth of PNPAs was significantly slower than for SWPAs – for instance PNPAs recorded average employment earnings growth of roughly 9% and 8% in the second and third year after landing while the comparable figures for SWPAs were 20% and 15% for 2001 to 2005 landing cohorts.
- SWPA's rapid average employment earnings growth allows them to catch up and pass PNPAs within 5 years of landing (Table 7).
- Since 2005, average employment earnings of PNPAs reach or surpass average Canadian employment earnings within one year after landing. (See Table 10 in the appendix.)

⁸ Note that for the early years of the PN program, the number of PNPAs with entry employment earnings in the IMDB was relatively small and, as a result, the average entry employment earnings data was prone to large fluctuations.

Table 7: Comparison of average entry employment earnings (2008\$) and earnings growth for PNPAs and SWPAs for landing cohorts 2000-2007

Landing Cohort	YSL=1			YSL=3			YSL=5		
	PNPA	SWPA	PNPA/ SWPA	PNPA	SWPA	PNPA/ SWPA	PNPA	SWPA	PNPA/ SWPA
2000	30,248	33,492	90%	36,290	39,258	92%	40,519	46,072	88%
2001	33,847	26,923	126%	38,156	38,473	99%	44,727	44,804	100%
2002	32,533	25,686	127%	36,510	39,275	93%	42,676	45,674	93%
2003	33,037	25,129	131%	40,764	40,247	101%	46,584	46,962	99%
2004	40,144	27,801	144%	47,691	40,876	117%			
2005	40,139	27,853	144%	47,974	41,068	117%			
2006	40,030	30,876	130%						
2007	42,717	33,839	126%						

Source: IMDB 2008, Tables 9 and 10 in the appendix

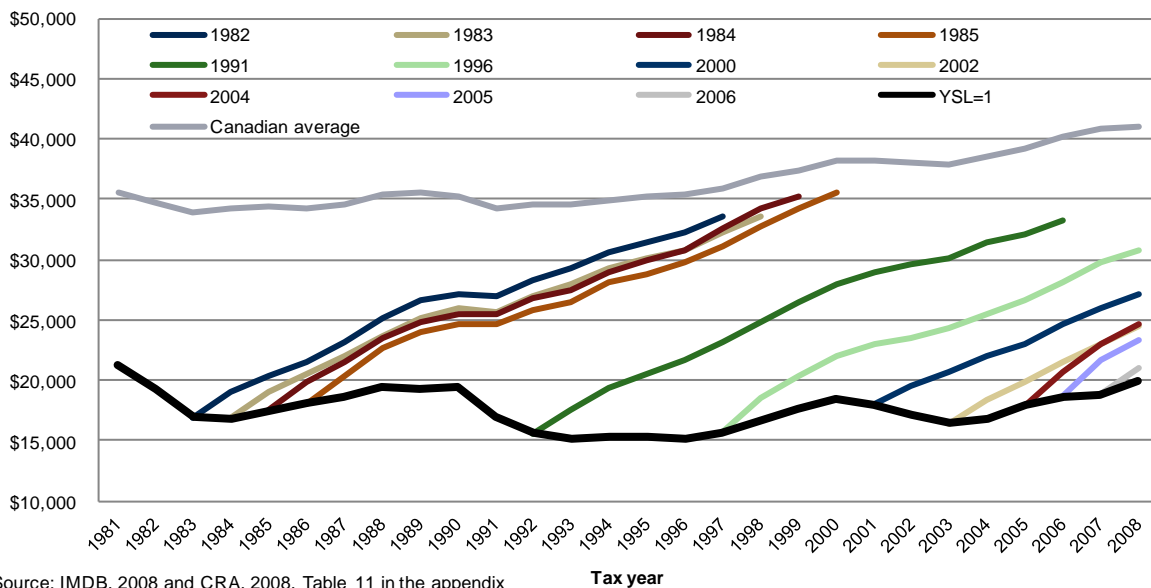
Family class immigrants, economic spouses and dependents, and refugees

The incidences of entry employment earnings for these three categories of immigrants are lower than for SWPAs and PNPAs (see Figure 3). This is consistent with the different migration motivations of these immigrant groups and other factors such as human capital, social capital as well as the length of time usually required for them to find employment.

As shown in Figure 2, these three categories of immigrants had much lower average entry employment earnings than SWPAs and PNPAs.

Unlike SWPAs, average entry employment earnings of these three categories seem less sensitive to the economic cycle. They did not show large declines in average entry employment earnings in the early part of the 2000s, but increases in mid-decade were also slow.

Figure 8: Average employment earnings (2008\$) for family class by landing cohort and tax year, 1981-2008

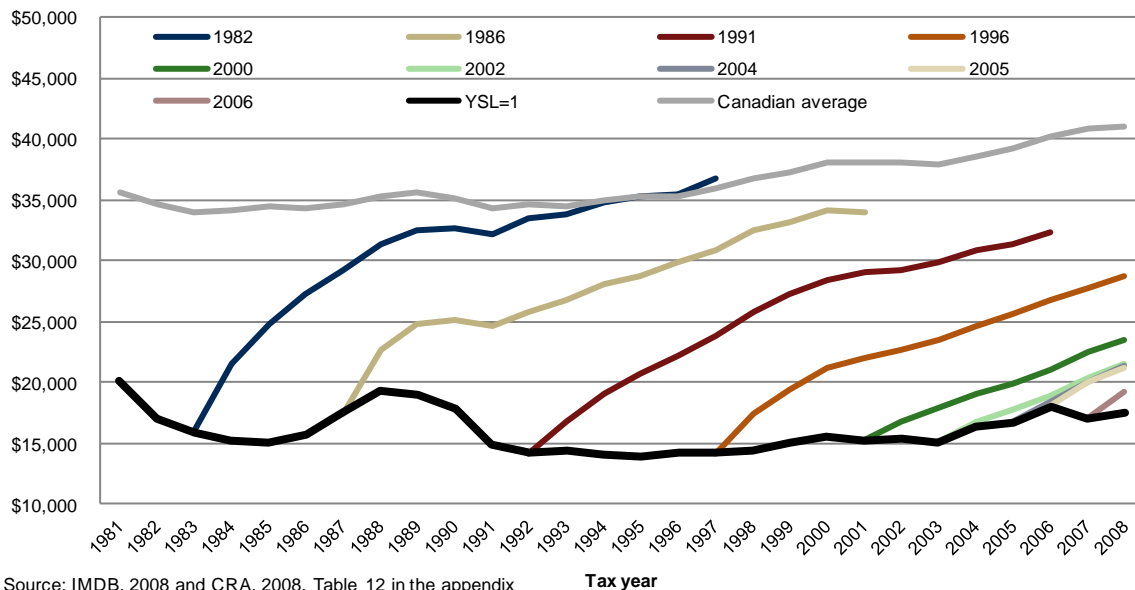


Source: IMDB, 2008 and CRA, 2008, Table 11 in the appendix

Figure 8 shows the average employment earnings profile for family class immigrants.

- Average entry employment earnings remained between \$15,000 and \$20,000 since the early 1980s, far below Canadian average employment earnings.
- Average employment earnings growth in years subsequent to landing are very similar across cohorts and employment earnings did not catch up to average Canadian employment earnings over the 16 year period covered by the IMDB.
- The latest figures show average entry employment earnings grew about 11% (\$2000) between 2005 and 2008 – stronger than that of the Canadian average of 4.5 % (\$1,793).

Figure 9: Average employment earnings (2008\$) for economic spouses and dependents by landing cohort and tax year, 1981-2008

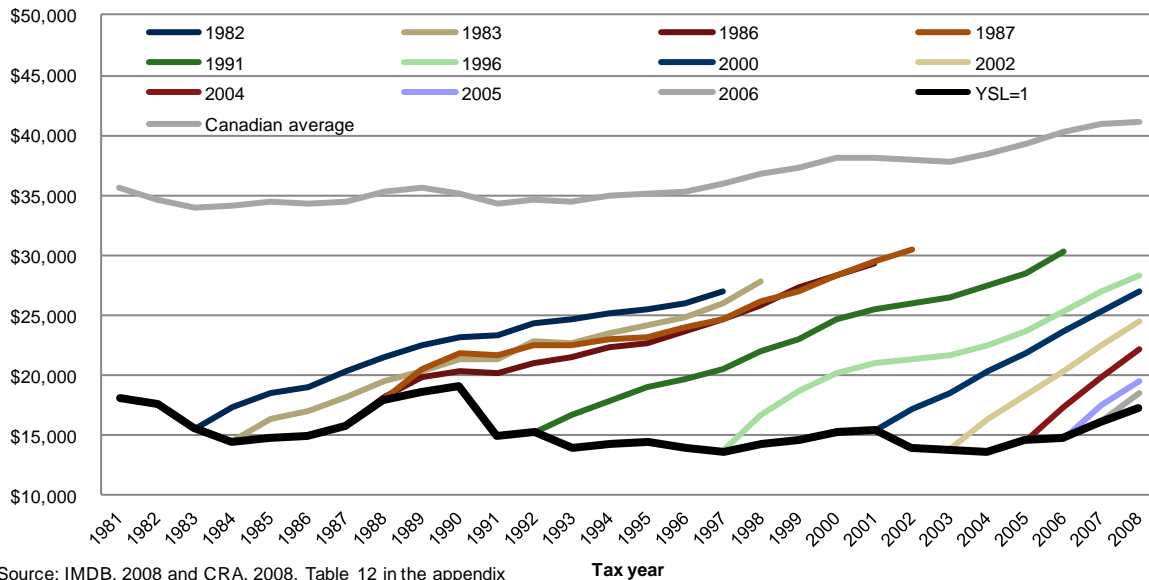


Source: IMDB, 2008 and CRA, 2008, Table 12 in the appendix

Figure 9 shows the average employment earnings profile for economic spouses and dependents.

- Average entry employment earnings for economic S&Ds are far below the Canadian average, ranging from 35% to 42% of the Canadian average between 2001 and 2008.
- In the years subsequent to landing, employment earnings for this group rose. For instance, the 2003 cohorts' average employment earnings grew from 35% of the Canadian average one year after landing, to 57% of the Canadian average, five years after landing. (See Table 12 in the appendix.)
- Average employment earnings for economic S&Ds is similar to the family class, but with lower average entry employment earnings. Average entry employment earnings growth between 2005 and 2008 was stronger than for the family class, increasing by \$2,681 (18%).

Figure 10: Average employment earnings (2008\$) for refugees by landing cohort and tax year, 1981-2008



Source: IMDB, 2008 and CRA, 2008, Table 12 in the appendix

Figure 10 shows the average employment earnings profile for refugees. Average entry employment earnings of refugees remained far below Canadian average employment earnings.

- For 2001-2008, average entry employment earnings for refugees ranged between 40% and 45% of the Canadian average. Between 2005 and 2008, refugees' average entry employment earnings increased by \$1,302 (7.8%) in 2006, but decreased by \$944 (5.2%) in 2007 and then rose \$372 (2.2%) in 2008.
- The decrease in average entry employment earnings in 2007 is unique to refugees among all immigration categories and may be related to the composition of refugees who landed in 2006.
- Other refugee cohorts had different experiences. For example, the 2003 cohort of refugees had average entry employment earnings that were 42% of the Canadian average and these grew to 53% five years after landing.
- Circumstances were somewhat better for the 2005 cohort whose average entry employment earnings were 45% of the Canadian average and whose employment earnings grew to 51% of the Canadian average three years after landing. (See Table 13 in the appendix.). It is too early to know how their average employment earnings five years after landing compare to the Canadian average.

Appendix A: Tables of average employment earnings for all immigrants and selected immigrant categories by years since landing

Table 8: Average employment earnings (2008\$) for all immigrants by years since landing (YSL) and landing cohort, 1980-2007

Landing year	YSL=1 /			YSL=3 /			YSL=5 /		
	YSL=1	Canadian Average	Canadian Average	YSL=3	Canadian Average	Canadian Average	YSL=5	Canadian Average	Canadian Average
1980	27,011	35,582	76%	27,107	33,877	80%	28,784	34,386	84%
1981	26,931	34,650	78%	28,606	34,175	84%	30,228	34,240	88%
1982	23,590	33,877	70%	27,580	34,386	80%	29,919	34,528	87%
1983	19,779	34,175	58%	23,516	34,240	69%	26,693	35,335	76%
1984	19,573	34,386	57%	23,588	34,528	68%	26,908	35,571	76%
1985	20,380	34,240	60%	25,227	35,335	71%	26,901	35,165	76%
1986	21,467	34,528	62%	26,301	35,571	74%	26,051	34,229	76%
1987	24,097	35,335	68%	27,292	35,165	78%	27,429	34,632	79%
1988	23,789	35,571	67%	25,449	34,229	74%	26,940	34,496	78%
1989	22,541	35,165	64%	24,597	34,632	71%	26,734	34,969	76%
1990	19,106	34,229	56%	22,628	34,496	66%	25,240	35,188	72%
1991	18,539	34,632	54%	22,160	34,969	63%	24,435	35,330	69%
1992	18,687	34,496	54%	22,121	35,188	63%	24,598	35,939	68%
1993	18,376	34,969	53%	21,846	35,330	62%	25,012	36,807	68%
1994	18,492	35,188	53%	22,831	35,939	64%	26,415	37,293	71%
1995	18,508	35,330	52%	24,373	36,807	66%	27,824	38,124	73%
1996	18,969	35,939	53%	25,173	37,293	68%	28,205	38,122	74%
1997	20,763	36,807	56%	26,824	38,124	70%	28,702	38,000	76%
1998	21,661	37,293	58%	27,705	38,122	73%	28,930	37,803	77%
1999	23,081	38,124	61%	27,383	38,000	72%	29,888	38,473	78%
2000	22,927	38,122	60%	26,276	37,803	70%	29,783	39,275	76%
2001	20,013	38,000	53%	25,275	38,473	66%	29,749	40,247	74%
2002	19,339	37,803	51%	24,989	39,275	64%	30,186	40,876	74%
2003	19,213	38,473	50%	25,571	40,247	64%	30,880	41,068	75%
2004	20,543	39,275	52%	27,288	40,876	67%			
2005	20,839	40,247	52%	27,098	41,068	66%			
2006	22,077	40,876	54%						
2007	23,862	41,068	58%						

Source: IMDB 2008 and CRA 2008

Table 9: Average employment earnings (2008\$) for skilled worker principal applicants by years since landing (YSL) and landing cohort, 1980-2007

Landing year	YSL=1 /			YSL=3 /			YSL=5 /		
	YSL=1	Canadian Average	Canadian average	YSL=3	Canadian Average	Canadian Average	YSL=5	Canadian Average	Canadian Average
1980	45,633	35,582	128%	45,086	33,877	133%	47,926	34,386	139%
1981	43,277	34,650	125%	45,109	34,175	132%	48,007	34,240	140%
1982	40,675	33,877	120%	45,694	34,386	133%	48,750	34,528	141%
1983	40,833	34,175	119%	41,775	34,240	122%	44,914	35,335	127%
1984	37,287	34,386	108%	38,826	34,528	112%	40,923	35,571	115%
1985	41,071	34,240	120%	43,424	35,335	123%	43,325	35,165	123%
1986	43,891	34,528	127%	49,461	35,571	139%	48,582	34,229	142%
1987	41,331	35,335	117%	46,895	35,165	133%	47,043	34,632	136%
1988	37,886	35,571	107%	40,594	34,229	119%	42,712	34,496	124%
1989	35,739	35,165	102%	38,112	34,632	110%	41,416	34,969	118%
1990	30,027	34,229	88%	34,797	34,496	101%	38,966	35,188	111%
1991	31,322	34,632	90%	36,296	34,969	104%	39,429	35,330	112%
1992	32,511	34,496	94%	38,718	35,188	110%	43,662	35,939	121%
1993	30,649	34,969	88%	38,089	35,330	108%	44,733	36,807	122%
1994	29,519	35,188	84%	38,650	35,939	108%	46,530	37,293	125%
1995	28,194	35,330	80%	40,307	36,807	110%	48,266	38,124	127%
1996	28,240	35,939	79%	40,848	37,293	110%	48,651	38,122	128%
1997	30,677	36,807	83%	42,677	38,124	112%	47,445	38,000	125%
1998	32,195	37,293	86%	44,573	38,122	117%	47,076	37,803	125%
1999	34,335	38,124	90%	42,632	38,000	112%	47,704	38,473	124%
2000	33,492	38,122	88%	39,258	37,803	104%	46,072	39,275	117%
2001	26,923	38,000	71%	36,140	38,473	94%	44,804	40,247	111%
2002	25,686	37,803	68%	35,934	39,275	91%	45,674	40,876	112%
2003	25,129	38,473	65%	36,807	40,247	91%	46,962	41,068	114%
2004	27,801	39,275	71%	40,186	40,876	98%			
2005	27,853	40,247	69%	39,560	41,068	96%			
2006	30,876	40,876	76%						
2007	33,839	41,068	82%						

Source: IMDB 2008 and CRA 2008

Table 10: Average employment earnings (2008\$) for provincial nominee principal applicants by years since landing (YSL) and landing cohort, 1999-2007

Landing year	YSL=1 /			YSL=3 /			YSL=5 /		
	YSL=1	Canadian Average	Canadian Average	YSL=3	Canadian Average	Canadian Average	YSL=5	Canadian Average	Canadian Average
1999	30,427	38,124	80%	32,108	38,000	84%	35,038	38,473	91%
2000	30,248	38,122	79%	36,290	37,803	96%	40,517	39,275	103%
2001	33,847	38,000	89%	38,156	38,473	99%	44,727	40,247	111%
2002	32,533	37,803	86%	36,510	39,275	93%	42,676	40,876	104%
2003	33,037	38,473	86%	40,764	40,247	101%	46,584	41,068	113%
2004	40,144	39,275	102%	47,691	40,876	117%			
2005	40,139	40,247	100%	47,974	41,068	116%			
2006	40,030	40,876	98%						
2007	42,717	41,068	103%						

Source: IMDB 2008 and CRA 2008

Table 11: Average employment earnings (2008\$) for family class by years since landing (YSL) and landing cohort, 1980-2007

Landing year	YSL=1 /			YSL=3 /			YSL=5 /		
	YSL=1	Canadian Average	Canadian Average	YSL=3	Canadian Average	Canadian Average	YSL=5	Canadian Average	Canadian Average
1980	21,264	35,582	60%	21,673	33,877	64%	23,535	34,386	68%
1981	19,301	34,650	56%	21,348	34,175	62%	23,502	34,240	69%
1982	16,940	33,877	50%	20,351	34,386	59%	23,130	34,528	67%
1983	16,804	34,175	49%	20,594	34,240	60%	23,724	35,335	67%
1984	17,524	34,386	51%	21,474	34,528	62%	24,872	35,571	70%
1985	18,072	34,240	53%	22,588	35,335	64%	24,619	35,165	70%
1986	18,662	34,528	54%	22,948	35,571	65%	23,111	34,229	68%
1987	19,468	35,335	55%	22,388	35,165	64%	22,855	34,632	66%
1988	19,353	35,571	54%	20,125	34,229	59%	21,655	34,496	63%
1989	19,433	35,165	55%	21,229	34,632	61%	23,398	34,969	67%
1990	16,911	34,229	49%	20,199	34,496	59%	22,806	35,188	65%
1991	15,567	34,632	45%	19,341	34,969	55%	21,596	35,330	61%
1992	15,197	34,496	44%	19,423	35,188	55%	22,131	35,939	62%
1993	15,364	34,969	44%	18,785	35,330	53%	21,940	36,807	60%
1994	15,325	35,188	44%	18,848	35,939	52%	22,113	37,293	59%
1995	15,203	35,330	43%	19,642	36,807	53%	22,716	38,124	60%
1996	15,714	35,939	44%	20,393	37,293	55%	22,952	38,122	60%
1997	16,678	36,807	45%	21,042	38,124	55%	22,738	38,000	60%
1998	17,678	37,293	47%	21,474	38,122	56%	22,945	37,803	61%
1999	18,444	38,124	48%	21,227	38,000	56%	23,325	38,473	61%
2000	17,980	38,122	47%	20,618	37,803	55%	23,040	39,275	59%
2001	17,097	38,000	45%	20,581	38,473	53%	23,183	40,247	58%
2002	16,416	37,803	43%	19,842	39,275	51%	23,068	40,876	56%
2003	16,767	38,473	44%	21,161	40,247	53%	24,465	41,068	59%
2004	17,887	39,275	46%	22,919	40,876	56%			
2005	18,644	40,247	46%	23,386	41,068	57%			
2006	18,813	40,876	46%						
2007	19,893	41,068	48%						

Source: IMDB 2008 and CRA 2008

Table 12: Average employment earnings (2008\$) for economic spouses & dependants

Landing year	YSL=1 /			YSL=3 /			YSL=5 /		
	YSL=1	Canadian Average	Canadian Average	YSL=3	Canadian Average	Canadian Average	YSL=5	Canadian Average	Canadian Average
1980	18,085	35,582	51%	19,607	33,877	58%	20,576	34,386	60%
1981	17,583	34,650	51%	19,435	34,175	57%	20,581	34,240	60%
1982	15,585	33,877	46%	18,428	34,386	54%	20,255	34,528	59%
1983	14,428	34,175	42%	17,007	34,240	50%	19,429	35,335	55%
1984	14,777	34,386	43%	16,712	34,528	48%	19,600	35,571	55%
1985	14,890	34,240	43%	18,206	35,335	52%	20,004	35,165	57%
1986	15,826	34,528	46%	19,821	35,571	56%	20,140	34,229	59%
1987	17,966	35,335	51%	21,777	35,165	62%	22,430	34,632	65%
1988	18,566	35,571	52%	20,669	34,229	60%	21,715	34,496	63%
1989	19,068	35,165	54%	20,799	34,632	60%	22,004	34,969	63%
1990	14,986	34,229	44%	17,951	34,496	52%	19,505	35,188	55%
1991	15,179	34,632	44%	17,878	34,969	51%	19,674	35,330	56%
1992	13,904	34,496	40%	17,026	35,188	48%	18,979	35,939	53%
1993	14,322	34,969	41%	17,503	35,330	50%	20,221	36,807	55%
1994	14,468	35,188	41%	18,154	35,939	51%	20,964	37,293	56%
1995	13,919	35,330	39%	18,657	36,807	51%	21,146	38,124	55%
1996	13,667	35,939	38%	18,622	37,293	50%	21,012	38,122	55%
1997	14,291	36,807	39%	18,975	38,124	50%	20,593	38,000	54%
1998	14,552	37,293	39%	19,542	38,122	51%	20,891	37,803	55%
1999	15,284	38,124	40%	19,208	38,000	51%	21,558	38,473	56%
2000	15,420	38,122	40%	18,533	37,803	49%	21,820	39,275	56%
2001	13,876	38,000	37%	18,224	38,473	47%	21,982	40,247	55%
2002	13,816	37,803	37%	18,293	39,275	47%	22,523	40,876	55%
2003	13,638	38,473	35%	18,664	40,247	46%	23,460	41,068	57%
2004	14,580	39,275	37%	19,893	40,876	49%			
2005	14,751	40,247	37%	19,507	41,068	47%			
2006	16,097	40,876	39%						
2007	17,261	41,068	42%						

Source: IMDB 2008 and CRA 2008

Table 13: Average employment earnings (2008\$) for refugees by years since landing (YSL) and landing cohort, 1980-2007

Landing year	YSL=1 /			YSL=3 /			YSL=5 /		
	YSL=1	Canadian Average	Canadian Average	YSL=3	Canadian Average	Canadian Average	YSL=5	Canadian Average	Canadian Average
1980	20,019	35,582	56%	21,251	33,877	63%	24,030	34,386	70%
1981	16,924	34,650	49%	22,786	34,175	67%	26,457	34,240	77%
1982	15,864	33,877	47%	24,752	34,386	72%	29,185	34,528	85%
1983	15,153	34,175	44%	22,891	34,240	67%	27,030	35,335	76%
1984	15,041	34,386	44%	22,302	34,528	65%	26,351	35,571	74%
1985	15,711	34,240	46%	23,714	35,335	67%	25,661	35,165	73%
1986	17,463	34,528	51%	24,754	35,571	70%	24,533	34,229	72%
1987	19,354	35,335	55%	24,063	35,165	68%	24,340	34,632	70%
1988	18,906	35,571	53%	21,153	34,229	62%	23,418	34,496	68%
1989	17,860	35,165	51%	20,736	34,632	60%	23,848	34,969	68%
1990	14,829	34,229	43%	19,526	34,496	57%	23,129	35,188	66%
1991	14,133	34,632	41%	18,987	34,969	54%	22,128	35,330	63%
1992	14,316	34,496	42%	17,712	35,188	50%	20,861	35,939	58%
1993	13,986	34,969	40%	17,544	35,330	50%	21,085	36,807	57%
1994	13,880	35,188	39%	19,349	35,939	54%	23,692	37,293	64%
1995	14,131	35,330	40%	19,738	36,807	54%	23,673	38,124	62%
1996	14,179	35,939	39%	19,296	37,293	52%	22,020	38,122	58%
1997	14,317	36,807	39%	19,768	38,124	52%	21,290	38,000	56%
1998	14,934	37,293	40%	19,394	38,122	51%	21,231	37,803	56%
1999	15,567	38,124	41%	18,898	38,000	50%	20,968	38,473	55%
2000	15,189	38,122	40%	17,869	37,803	47%	19,847	39,275	51%
2001	15,320	38,000	40%	17,815	38,473	46%	19,573	40,247	49%
2002	15,067	37,803	40%	17,785	39,275	45%	20,331	40,876	50%
2003	16,246	38,473	42%	19,138	40,247	48%	21,990	41,068	53%
2004	16,679	39,275	42%	20,060	40,876	49%			
2005	17,981	40,247	45%	21,219	41,068	51%			
2006	17,037	40,876	42%						
2007	17,409	41,068	42%						

Source: IMDB 2008 and CRA 2008

Appendix B: IMDB 2008 research series – technical notes

Data sources

The Longitudinal Immigrant Database: The Longitudinal Immigrant Database (IMDB) combines administrative records on immigration with taxation information from the Canada Revenue Agency to create a comprehensive source of data on the labour market experiences and income of the immigrant population. The IMDB brings together three different data sets: the “confirmation of permanent residency” (from CIC), Personal income tax returns (the T1) and Statement of Remuneration Paid (the T4 - a document issued by an employer to an employee), the latter two sources from Canada Revenue Agency. These three sources are reorganized into one database to facilitate research on economic integration and secondary migration of the landed immigrant population in Canada. Immigrant tax filers contained in the IMDB are linked via their landing record to the taxation system. Immigrants who do not file an income tax return (children for example), or for whom the link between the immigration and tax system failed, are absent from the database. For all immigrants between 1980 and 2007 the overall linkage rate between the immigration records and taxation records is 65%. This rate varies by immigration category.

The period of landings covered by the IMDB is 1980 to 2007; however, currently a 16-year rule applies to immigrants identified in the database. This means that the IMDB follows an immigrant for a maximum of 16 years after their first appearance in the database. Generally, an immigrant appears for the first time in the IMDB one year after arrival or the same year they landed.

IMDB does not cover the entire immigrant population or experience since it does not include all immigrants (only those who file an income tax return). For this reason, an examination of the capture rate, the proportion of the immigrant population that is included in the IMDB, is of interest. Details of the capture rate for the various immigrant categories are provided in “Additional Notes”.

Research Data Mart: Landings data are drawn from the Research Data Mart. The RDM consists of a collection of data products (including *Facts and Figures*) which are created based on business rules established by Citizenship and Immigration Canada’s Research and Evaluation branch. These data products, derived from CIC administrative data systems which have been converted into analytical data, are used for evaluation, program monitoring, policy analysis, research, and reporting for internal and external clients such as other government departments, provinces and territories.

Special tabulations from the Canada Revenue Agency: Average Canadian employment earnings (used as a benchmark throughout the document) for this analysis are derived from special tabulations from the Canada Revenue Agency. The special tabulations include only those aged 15 and over.

Glossary of terms and concepts

Average employment earnings and average entry employment earnings: Average employment earnings are defined as the total employment earnings (before income tax) of immigrants aged 15 and over divided by the total number of immigrants aged 15 and over who reported earnings from an employer in a particular tax year and filed an income tax return. These immigrants received a T4, a document issued by an employer to an employee. The average entry employment earnings are defined as the average employment earnings during the immigrants' first year after landing. Employment earnings are adjusted using Statistics Canada's Consumer Price Index (CPI), and can be calculated by landing cohort, immigration category, sex and other variables. In this report, all employment earnings figures are adjusted to 2008\$. The first year after landing is often described as "years since landing=1" or YSL=1. Growth of employment earnings in subsequent years are often examined through the lens of YSL=3 or YSL=5 (i.e. three or five years after landing). Earnings from investments and government transfers such as employment insurance and social assistance are not included. Those who are self-employed would only be included if they have a T4, which could occur for those who are consultants.

Business immigrants: Permanent residents in the economic immigrant category selected on the basis of their ability to establish themselves economically in Canada through entrepreneurial activity, self-employment or direct investment. Business immigrants include entrepreneurs, self-employed people, and investors.

Canadian average employment earnings: The Canadian average employment earnings used in this analysis is an average of the employment earnings of all tax filers in Canada aged 15 and over who filed an income tax return. Canadian average employment earnings are derived from special tabulations from the Canada Revenue Agency. For the provincial analyses, provincial average employment earnings are reported for all taxfilers in the province and calculated in the same way.

Capture rate: The capture rate is a calculation of what proportion of immigrants are included in the IMDB.

Category: Immigration categories are shown for the three main groups of permanent residents—family class, economic immigrants, and refugees—as well as for "other" immigrants who do not qualify in any of these categories.

Economic immigrants: Permanent residents selected for their skills and ability to contribute to Canada's economy. The economic immigrant category includes skilled workers, business immigrants, provincial or territorial nominees, live-in caregivers and Canadian Experience Class.

Economic spouses and dependants: These include spouses, partners, common-law partners, and dependent children of economic immigrant principal applicants who are listed as such on the application.

Employment earnings gap: The proportion of immigrant employment earnings relative to the average of the group being compared.

Entrepreneurs: Economic immigrants in the business immigrant category who are selected on the condition that they have managed and controlled a percentage of equity of a qualifying business for at least two years in the period beginning five years before they apply, and that they have a legally obtained the required personal net worth. They must own and manage a qualifying business in Canada for at least one year in the three years following arrival in Canada.

Family class: Permanent residents sponsored by a Canadian citizen or a permanent resident living in Canada who is 18 years of age or over. Family class include the following immigration categories: spouses and partners (i.e., spouse, common-law partner or conjugal partner); parents and grandparents; and others (i.e., dependent children, children under the age of 18 whom the sponsor intends to adopt in Canada, brothers, sisters, nephews, nieces, and grandchildren who are orphans under 18 years of age, or any other relative if the sponsor has no relative as described above, either abroad or in Canada).

Government-assisted refugees: Permanent residents in the refugee category who are selected abroad for resettlement to Canada as Convention refugees or members of the Convention Refugees Abroad Class who receive resettlement assistance from the federal government.

Humanitarian and compassionate considerations: Permanent residents who are humanitarian and compassionate cases with or without sponsorship and sponsored humanitarian and compassionate cases outside the family class.

Immigrants: People who have been granted permanent resident status in Canada. Permanent residents have all the rights guaranteed under the *Canadian Charter of Rights and Freedoms* but they do not have the right to vote in elections.

Incidence of employment earnings: The incidence of employment earnings is the share of immigrants with employment earnings of the total number of immigrants who filed an income tax return in a particular year. It is expressed as a percent and is calculated as the number of immigrants aged 15 and over who reported earnings from an employer (they receive a T4) divided by the total number of immigrants aged 15 and over who filed an income tax return in a particular year. Incidence of employment earnings can be calculated by landing cohort, immigration category, sex and other variables.

Investors: Economic immigrants in the business immigrant category who are required to make a substantial investment in Canada that is allocated to participating provinces and territories for economic development and job creation.

Live-in caregivers: Persons granted permanent resident status as economic immigrants after their participation in the Live-in Caregiver Program. This program brings temporary foreign workers to Canada as live-in employees to work without supervision in private households to care for children, seniors, or people with disabilities.

Occupational groups NOC: The National Occupational Classification (NOC) is the nationally accepted categorization of occupations in Canada. It organizes over 40,000 job titles into 500 occupational group descriptions. The NOC provides a standardized framework for organizing the world of work in a coherent system. It is used to manage the collection and reporting of occupational statistics and to provide understandable labour market information. IMDB uses the 2001 NOC.

The two digit NOC code is an aggregation of more detailed three and four digit groups. There are 26 two digit NOC groups that roll-up the 500 detailed groups but this report only includes the ten largest in terms of immigration. These are:

- 01 Management-business and financial administration
- 06 Management-sales and service
- 11 Professional occupations in business and finance
- 12 Skilled administrative and business occupations
- 21 Professional occupations in natural and applied sciences

- 22 Technical occupations related to natural and applied sciences
- 31 Professional occupations in health
- 41 Professional occupations in social science and education
- 51 Professional occupations in art and culture
- 62 Skilled sales and service occupations

For more information about the NOC please visit HRSDC's website.

Other immigrants: Permanent residents in the other immigrant category include post-determination refugee claimants in Canada, deferred removal orders, retirees (no longer designated under IRPA), temporary resident permit holders, H&C considerations, and people granted permanent resident status based on public policy considerations.

Principal applicants: Permanent residents identified as the principal applicant on their application for a permanent resident visa for themselves and their accompanying spouse and/or dependants. For individuals or families applying to immigrate to Canada in the skilled worker category, only the principal applicant is assessed on the basis of selection criteria in place at the time of the application.

Privately sponsored refugees: Refugees who are selected for resettlement in the Convention refugees abroad class, the source country class or the country of asylum class and who are privately sponsored by organizations, individuals or groups of individuals.

Provincial or territorial nominees: Economic immigrants selected by a province or territory for specific skills that will contribute to the local economy to meet specific labour market needs. Provinces and territories that have agreements with Citizenship and Immigration Canada are allowed to nominate persons who wish to settle in that province.

Public Policy Considerations: Public policy considerations are designed to facilitate processing of individuals in similar circumstances as the H&C considerations, all of whom must meet specific eligibility criteria. Although public policies have been used in times of crisis to process individuals, they are not necessarily restricted to humanitarian and compassionate circumstances.

Refugees: Permanent residents in the refugee category include government-assisted refugees, privately sponsored refugees, refugees landed in Canada and refugee spouses and dependants.

Refugees landed in Canada: Refugees who have had their refugee claims accepted and who subsequently applied for and were granted permanent resident status in Canada. With the introduction of IRPA, this group is referred to as "Protected persons in Canada".

Self-employed: Economic immigrants in the business immigrant category selected on the condition that they can, and intend to, create their own employment in Canada and contribute significantly either to the Canadian economy or to the cultural or athletic life of Canada.

Skilled workers: Economic immigrants selected for their ability to participate in the labour market and to establish themselves economically in Canada. Skilled workers are assessed on the basis of selection criteria that stress, for example, education, language ability, and skilled work experience.

Source country: Refers to the principal country of last permanent residence. For refugee claimants, source country is the principal country of alleged persecution.

Spouse and dependants: Permanent residents who are the spouse, common-law or conjugal partner, or dependent children of the principal applicant and listed as such on the application.

Additional notes

Comparing employment earnings to Canadian average employment earnings

Average entry employment earnings are often used as an indication of immigrant economic performance. However there are some important caveats to note when comparing immigrant entry earnings to the Canadian average in the analysis.⁹ The same caveat applies to the provincial analyses.

1. The average age of recent immigrants (those who landed less than five years ago) is significantly lower than the Canadian population (31 years for recent immigrants compared to 36 years for the Canadian-born population). Age is positively correlated with employment earnings, and when age is not controlled for, one would expect immigrants to have lower employment earnings during initial entry into the labour market.
2. Job tenure and Canadian labour market experience are important factors related to age and time spent in Canada and these factors play a role in employment earnings. Given that recent immigrants are new to the Canadian labour market, one would expect less job tenure and Canadian labour market experience as compared to the entire Canadian tax filing population. This may play a role in the differences in employment earnings and entry employment earnings between recent immigrants and all Canadians.
3. Given the demographic picture in Canada, an increasing share of the population is nearing the peak earning years of their careers and this is placing upward pressure on the Canadian average. As a result, the gap between immigrant average entry employment earnings and the Canadian average is increasing in many instances.
4. While recent immigrants are younger, have less job tenure and domestic labour market experience, it also should be noted that on average, recent immigrants have higher levels of education as compared to the Canadian-born population.

Variation in average employment earnings

It is important to note that entry employment earnings and growth in subsequent years are dependent on a number of factors. The socio-economic characteristics (age, gender, category of immigration, official language knowledge, education, etc.) of immigrants may differ significantly from one cohort to another and this affects their employment earnings profile.

In addition, fluctuations in the business cycle have varying impacts on new and established labour market participants. Immigrants who landed during difficult economic times typically have lower growth in subsequent yearly employment earnings as compared to immigrants who arrived when the economy was performing well.

Consequently, the number of years it takes immigrants to catch up to the average Canadian or provincial employment earnings varies by cohort. Data from the IMDB indicates that cohorts who arrived in the early 1980s reached and surpassed the Canadian average within 16 years while cohorts who arrived in the 1990s had not yet reached the Canadian average, 16 years after landing. However, as this report indicates, some immigrant classes reach the Canadian average

⁹ Issues surrounding the most appropriate comparison figure for the immigrant population are a concern. Labour market integration varies among different admission categories and immigrant landing characteristics. Using average employment earnings at different points in time after landing (for instance, 3 or 5 years after landing) may be a more appropriate measure for some comparison purposes.

faster than others and it is important to distinguish between instances where certain groups of immigrants reach the Canadian average and the average of all immigrant categories.

Capture rate

The capture rate is a calculation of what proportion of immigrants are included in the IMDB. This calculation is most informative when performed for various categories or cohorts. As indicated in the description of the IMDB, immigrants are only in the IMDB for their first 16 years if they file an income tax return. The table below shows how the capture rate varies by immigration category for the 2008 tax year for landing years 1992-2008.

Table 14: Capture rates by category and years since landing for tax year 2008

Class	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Family Class	60%	68%	67%	68%	68%	68%	66%	64%	65%	64%	62%	63%	60%	59%	59%	59%
SWPA	61%	78%	69%	73%	75%	74%	72%	72%	70%	66%	64%	58%	53%	53%	54%	48%
PNPA	76%	80%	77%	83%	84%	85%	79%	85%	88%	86%	N/A	87%	91%	N/A	N/A	N/A
Ec SP& D	32%	40%	41%	45%	48%	48%	49%	51%	52%	52%	53%	50%	48%	50%	49%	50%
Refugees	47%	69%	50%	61%	64%	65%	65%	66%	67%	68%	66%	69%	69%	70%	70%	66%
All Immigrants	50%	61%	56%	60%	63%	63%	62%	62%	62%	62%	61%	59%	57%	58%	57%	62%

SWPAs and PNPAs typically have substantially higher capture rates than other classes although with time, the rates change, particularly for SWPAs whose capture rates peak four years after landing and decline thereafter. Other classes, for example refugees, have generally rising capture rates, such that after nine years in Canada, refugees have higher capture rates than SWPAs. More research on the IMDB and immigration patterns is required to explain these trends.