

For internal use only

IMDB 2008 Immigration Category Profiles

Skilled Workers

Findings from the Longitudinal Immigration Database (IMDB)

March 2012

IMDB 2008 Research Series

IMDB Core Report

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

The *IMDB Core Report* consists of two volumes:

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

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

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

IMDB Immigration Category Profiles

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

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

Each *IMDB Immigration Category Profile* consists of two main sections:

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

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

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

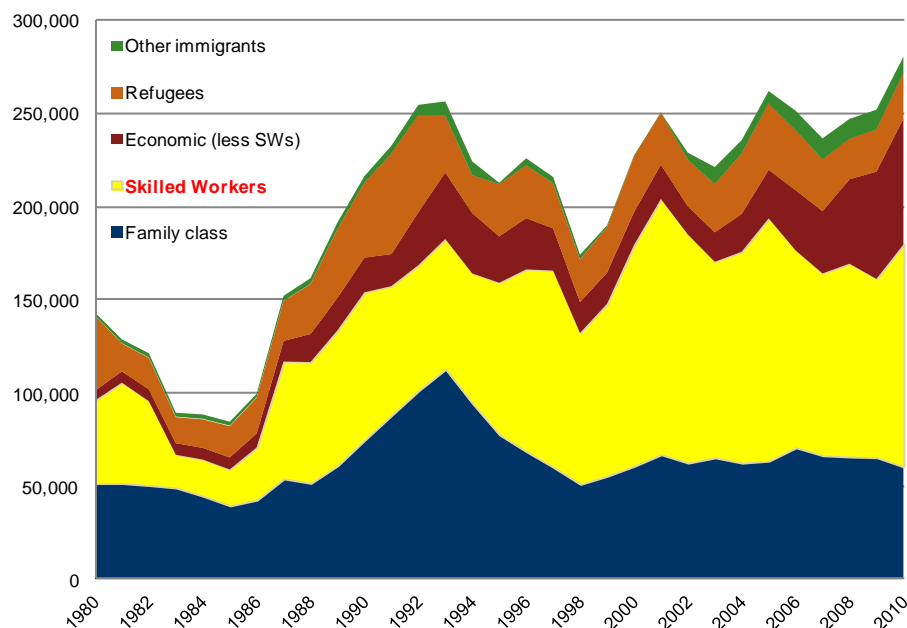
IMDB Research Series - Technical Notes

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

Background characteristics

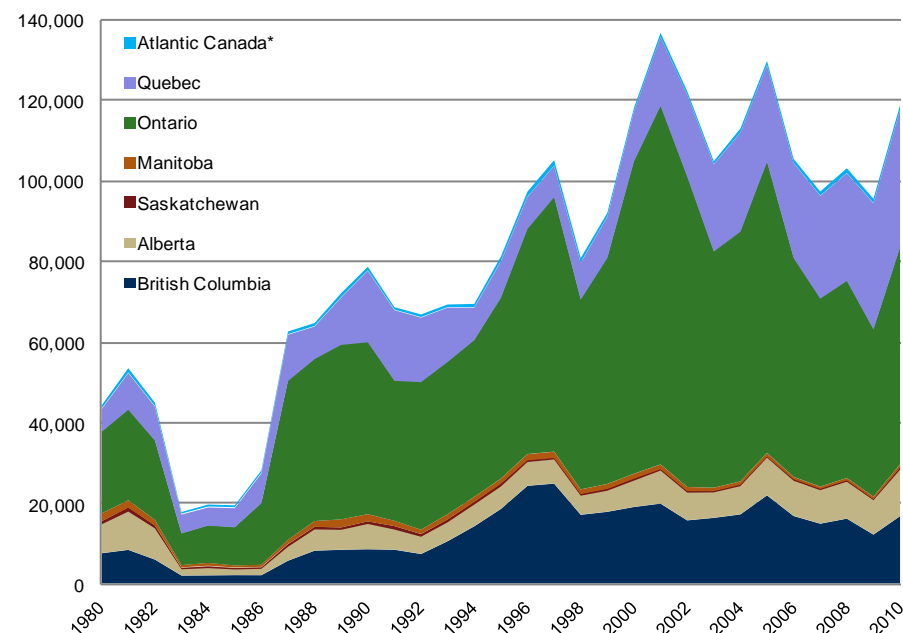
Figure 1: Immigrants, by landing year, 1980-2010

Immigration category



Source: CIC, Facts and Figures, RDM, 2010

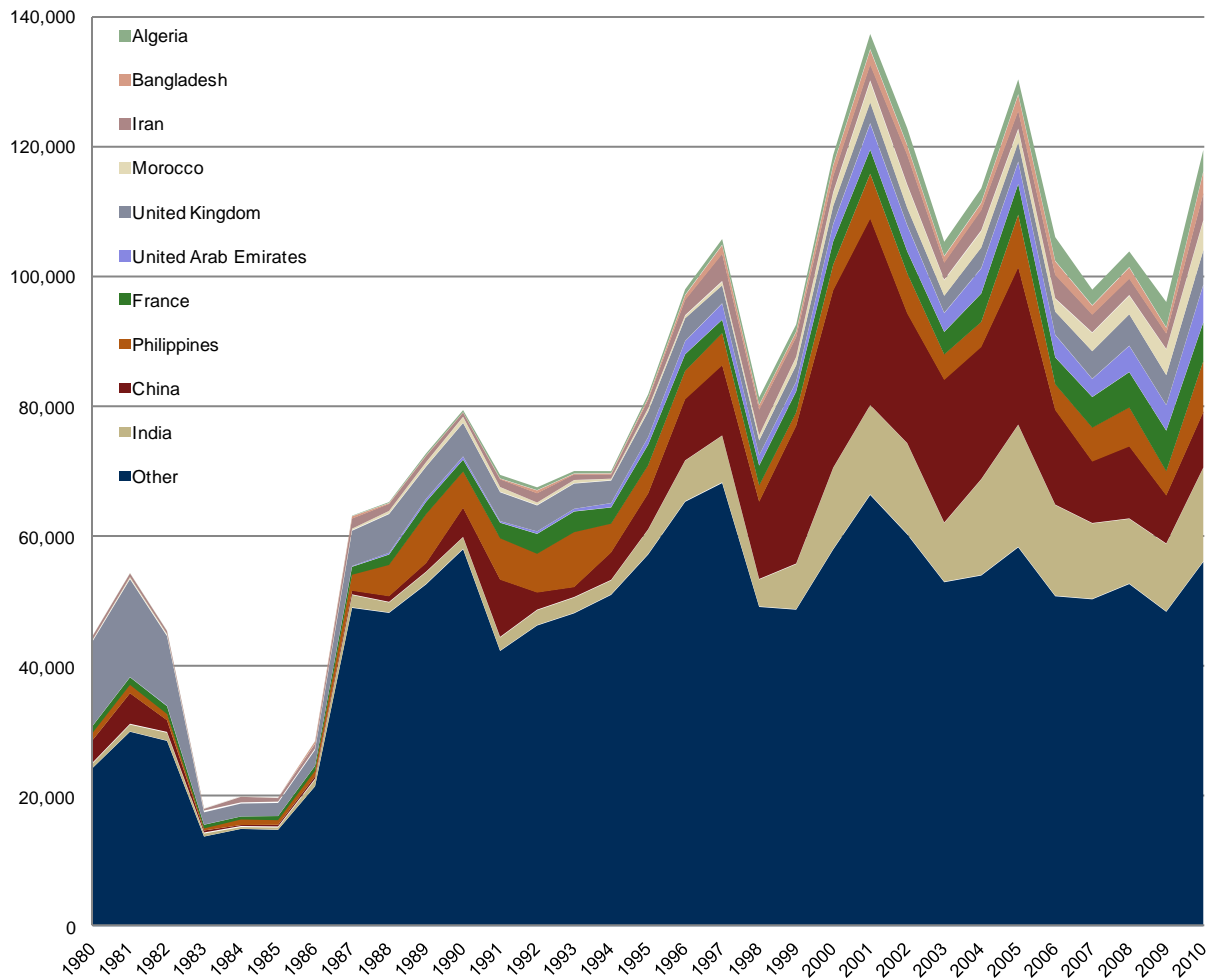
Skilled workers by province of destination



*Prince Edward Island, Newfoundland and Labrador, Nova Scotia, and New Brunswick
Source: CIC, Facts and Figures, RDM, 2010

- The flow of Skilled Workers (SW) has been increasing over time, in terms of both the number of landings and the share of total immigrant landings. Over the 1980-1995 period, an average of 54,000 SW landed in Canada per year, accounting for roughly 32% of the total immigration flow each year. Since then the annual average has increased to 108,000, accounting for an average of 47% of total annual immigration.
- Throughout the entire period (1980-2010), Ontario has been the top destination for SWs, accounting for an average of 55% of SW landings. The second-ranked destination, Quebec, has become increasingly popular as a province of destination with an increase from an average of 17% of total SWs in the earlier years (1980-1999) to 21% in more recent years (2000-2010). British Columbia is the third most popular province with an average of roughly 15% of SWs destined there over the thirty-year period.

Figure 2: Number of skilled workers, by country of last permanent residence, by landing year, 1980-2010

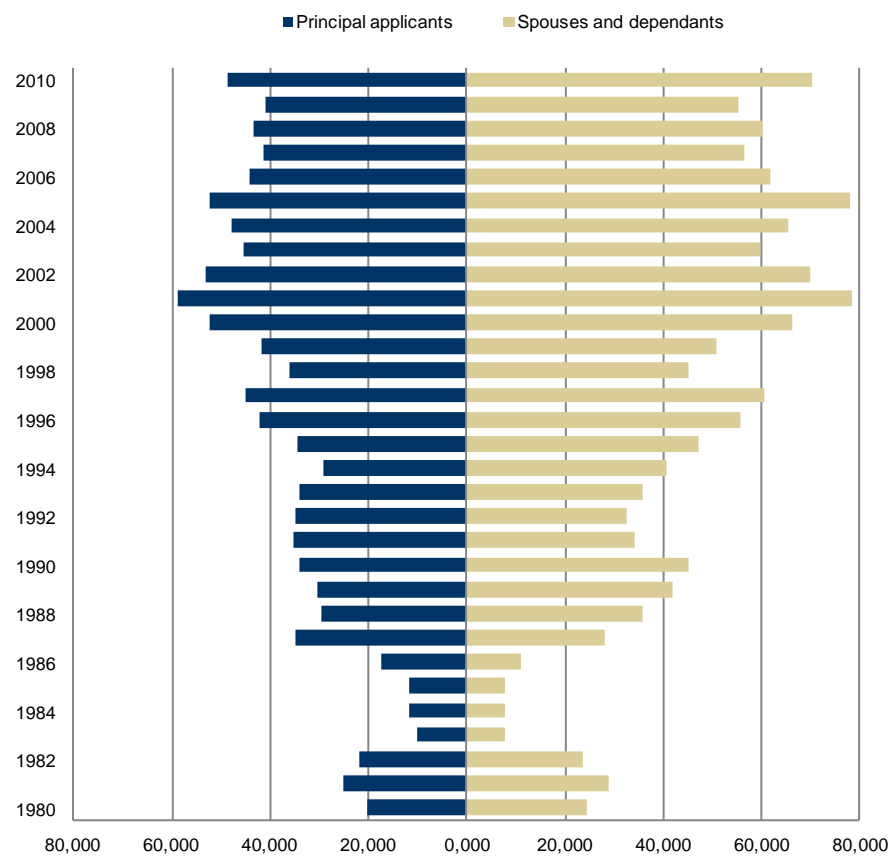


Source: CIC, Facts and Figures, RDM, 2010

- Since the late 1990s, India and China have been the top source countries for SWs. In 2010, India accounted for 12% of SW landings, and China accounted for 7%.
- The third top source country for SWs is the Philippines, accounting for just under 7% of SWs in 2010 and between 5 and 10% since the late 1980s.
- Overall, the top ten source countries shown in Figure 2 have accounted for roughly 40% of all SWs from 1980-2010. In 2010, these top ten source countries accounted for 53% of SW landings.

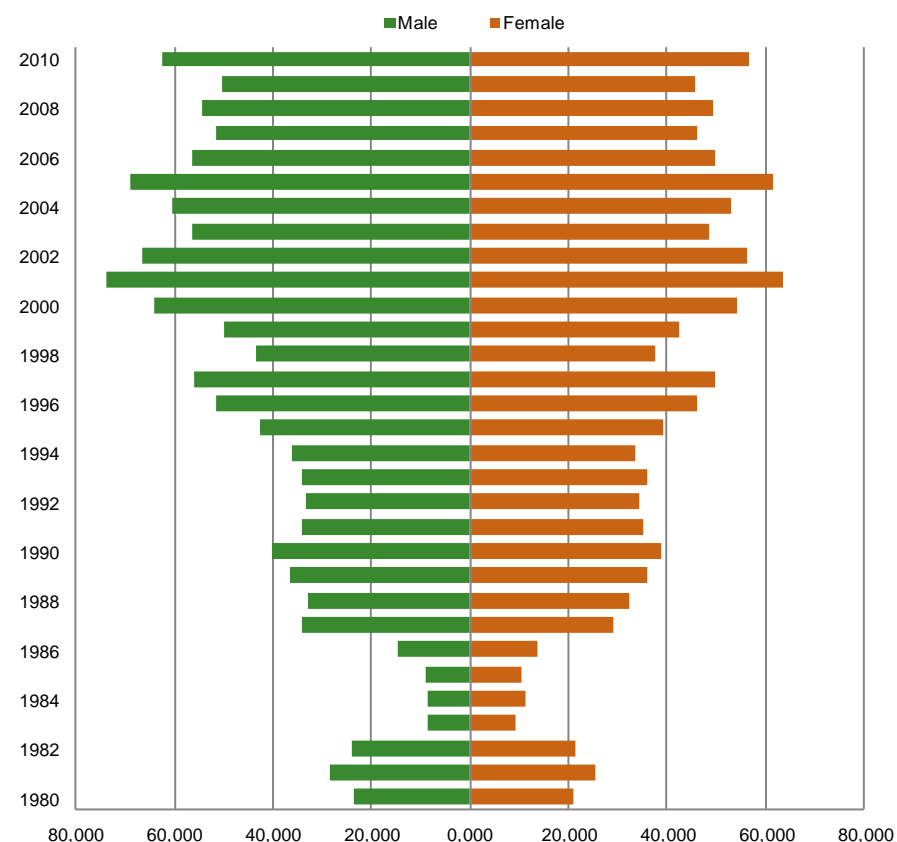
Figure 3: Number of skilled workers, by landing year, 1980-2010

Family status



Source: CIC, Facts and Figures, RDM, 2010

Gender

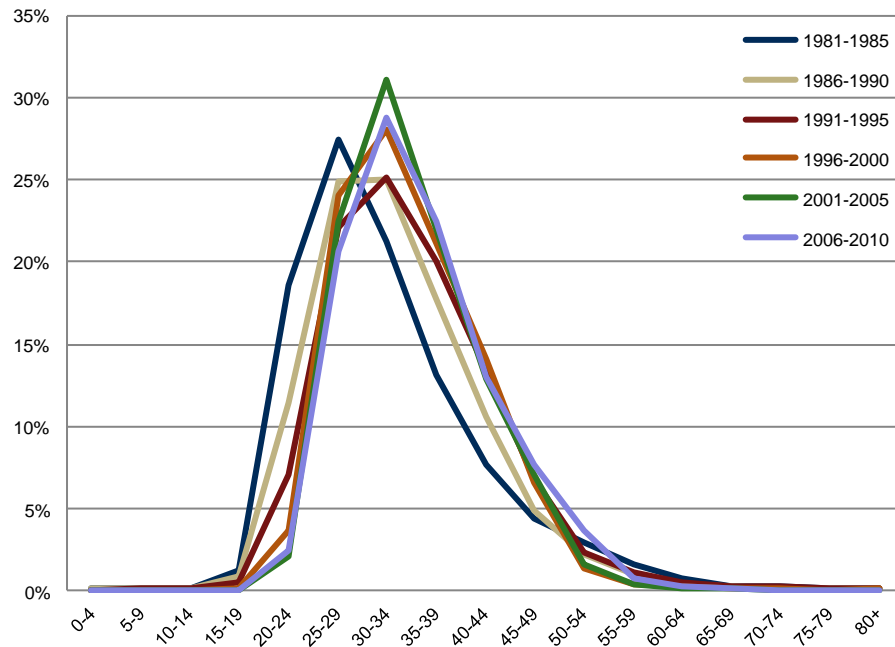


Source: CIC, Facts and Figures, RDM, 2010

- With respect to the gender mix, there is a fairly even split between male and female SWs. The overall split during the 1980-2010 timeframe was 52% males and 48% females.
- There are slightly greater numbers of spouses and dependants arriving as SWs as compared to principal applicants since 1996 (a ratio of 1.4:1).

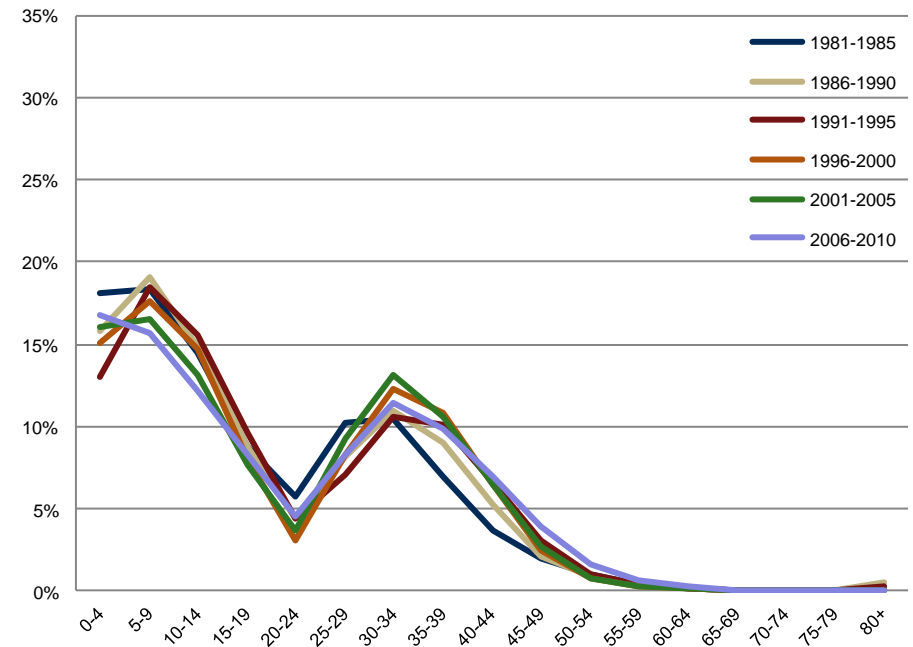
Figure 4: Age distribution of skilled workers, by landing year, 1980-2010

Principal applicants



Source: CIC, Facts and Figures, RDM, 2010

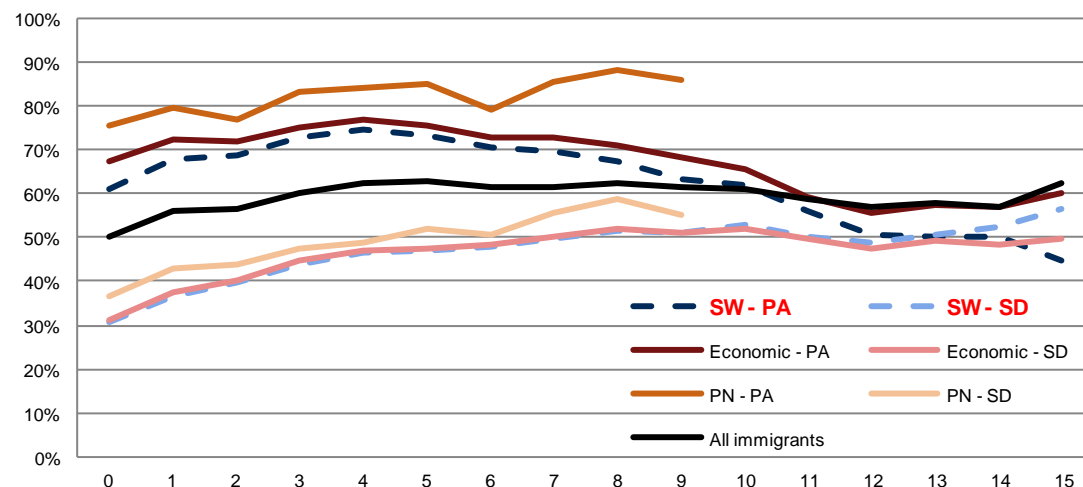
Spouses and dependants



Source: CIC, Facts and Figures, RDM, 2010

- As shown in Figure 4, the large majority of SW principal applicants are of core working age (25-54 years of age) at landing and this share has been increasing over time. For earlier cohorts the share is roughly 80% and from the late 1990s and onward the share is over 95%.
- There is a noticeable difference in the age distribution of spouses and dependants (as compared to principal applicants). The bimodal age distribution for spouses and dependants captures the greater shares of landings coming from individuals less than 25 years of age as well as those of core working age. For the earlier cohorts, the dependants (0-24 years) to spouses (25 years or older) ratio was almost 2:1. For later cohorts (post-2000), however, the ratio had fallen to 1.3:1.

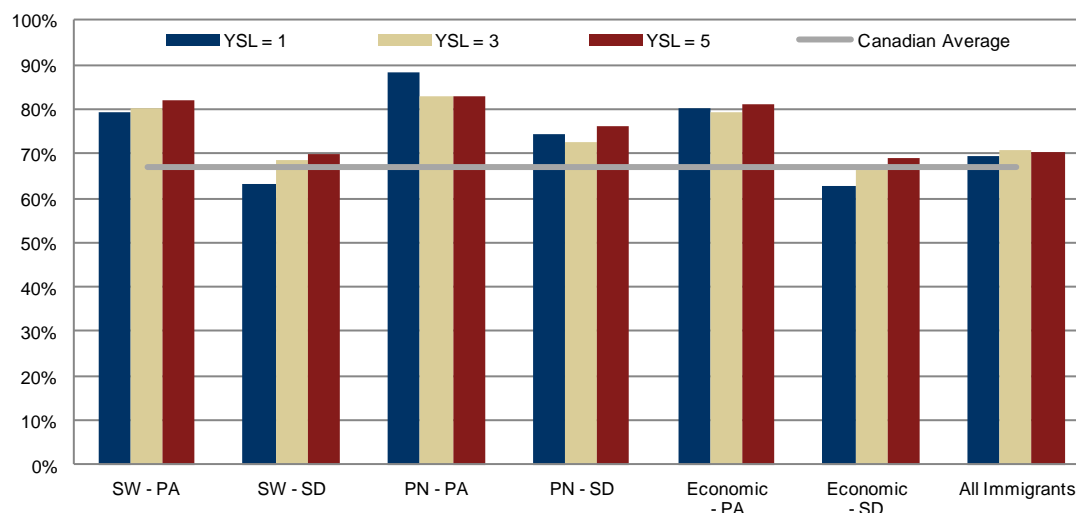
Figure 5: IMDB capture rate for selected immigrant categories, by years since landing (YSL), in tax year 2008



Source: CIC, Facts and Figures, RDM, 2010 and IMDB, 2008

- Unlike the steady IMDB capture rate seen for all immigrants, the rate for SW principal applicants decrease with years since landing. In initial years following landing the capture rate increases to around 75 percent; however, after peaking around the fifth year it drops off to under 50 percent by the fifteenth year after landing.
- A decline in the capture rate such as that seen for SW principal applicants may be explained by any number of factors including: return or onward migration, exit from the labour market, or death.
- Research shows that highly skilled males of prime working age are the most internationally mobile. SW principal applicants are predominately highly skilled males of prime working age and the capture rates seen for all cohorts of SW principal applicants highlight their mobility and responsiveness to economic cycles.

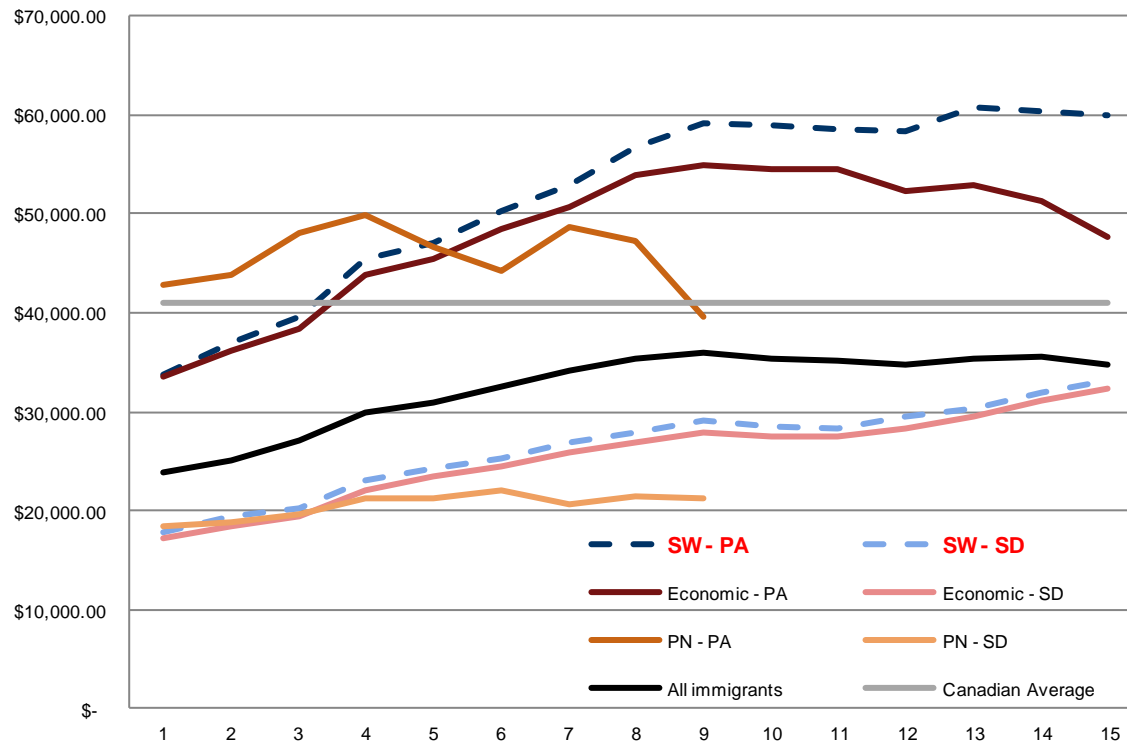
Figure 6: Incidence of employment earnings for selected immigrant categories, by years since landing (YSL), in tax year 2008



Source: IMDB, 2008 and CRA, 2008

- In the first year following landing, 80% of SW principal applicants captured in the IMDB report employment earnings, this is well above the Canadian average of 67% and the all immigrants' average of 69%. Provincial Nominee principal applicants are the only category with a higher incidence of employment earnings than SW principal applicants.
- Over time, the incidence of employment earnings increases for SW principal applicants. In contrast the Provincial Nominee principal applicants see a drop following the first year following landing. By the fifth year following landing both categories have an incidence of employment earnings slightly above 80%.

Figure 7: Average employment earnings for selected immigrant categories, by years since landing (YSL), in tax year 2008

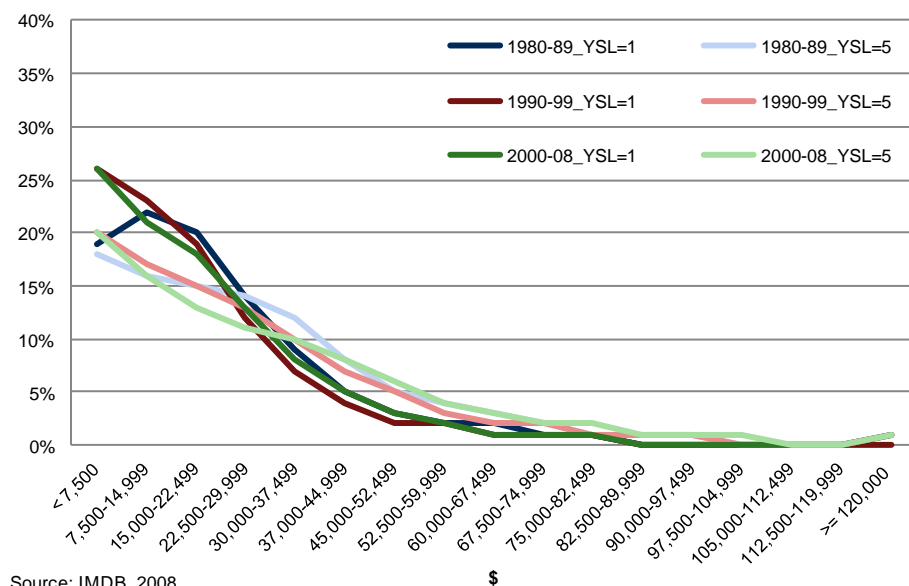


Source: IMDB, 2008 and CRA, 2008

- There is a clear positive relationship between average employment earnings and years since landing. All categories (except provincial nominees) show growth in earnings with time spent in Canada.
- In the initial years following landing, the average employment earnings of SW principal applicants is second only to their provincial nominee counterparts. Provincial nominee principal applicants report entry earnings above the Canadian average, while SWs catch-up to the Canadian average by the third year following landing and demonstrate stronger growth in earnings over time.
- SW principal applicants continue to experience strong earnings growth through the tenth year following landing, reporting average annual employment earnings just under \$60,000.

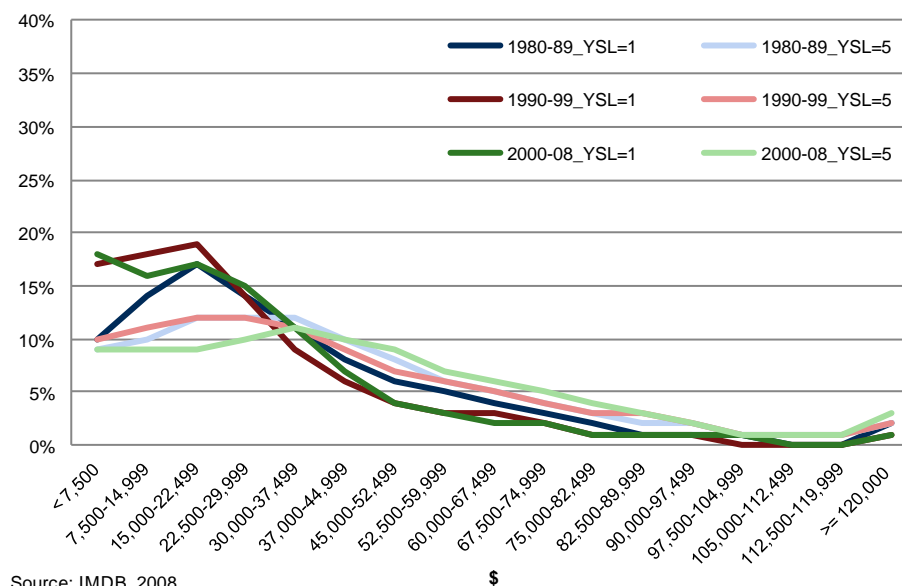
Figure 8: Distribution of employment earnings (\$2008), by cohort for selected immigrant categories, by years since landing (YSL), in tax year 2008

All immigrants



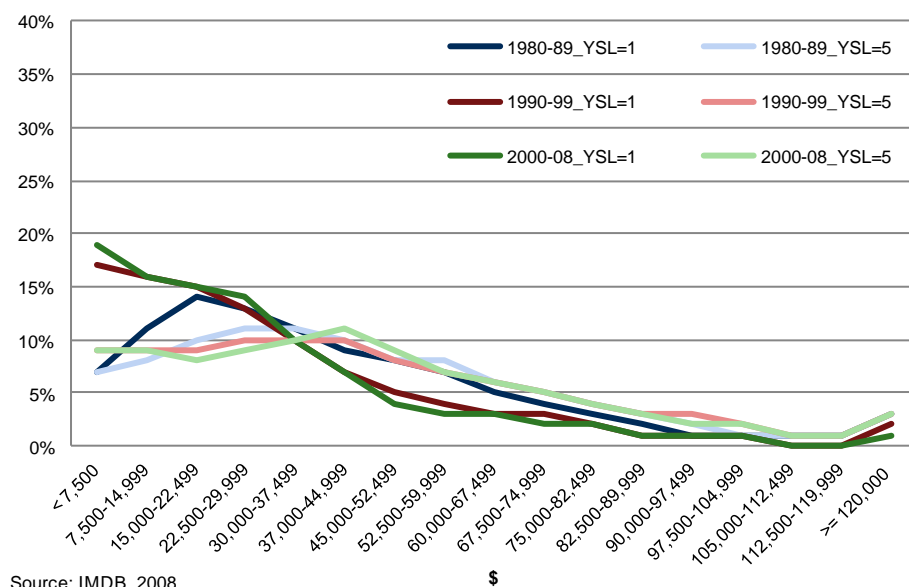
Source: IMDB, 2008

Economic immigrants principal applicants



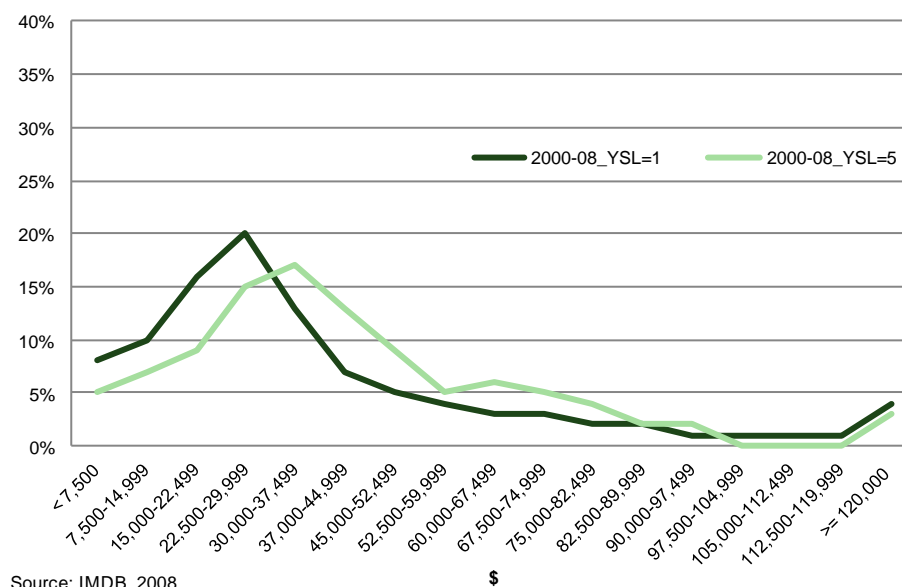
Source: IMDB, 2008

Skilled worker principal applicants



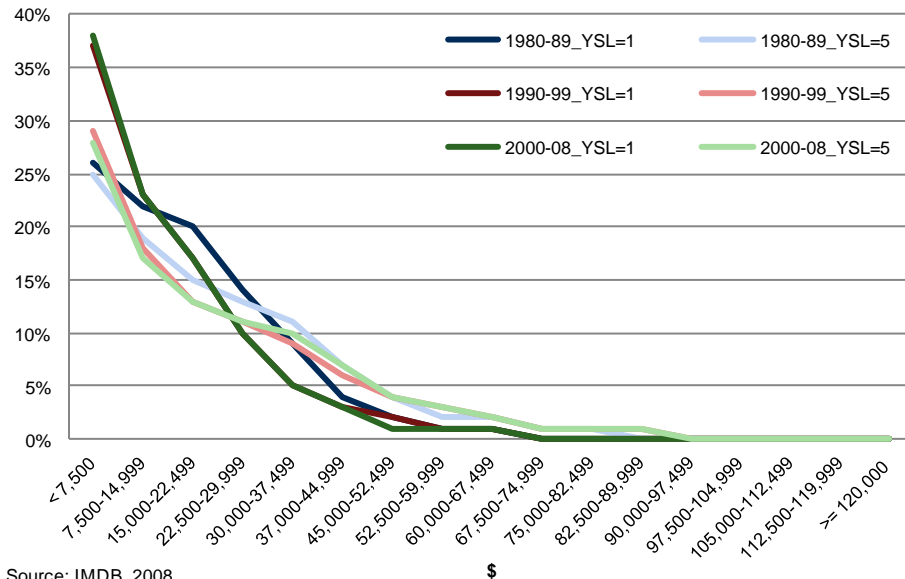
Source: IMDB, 2008

Provincial nominee principal applicants



Source: IMDB, 2008

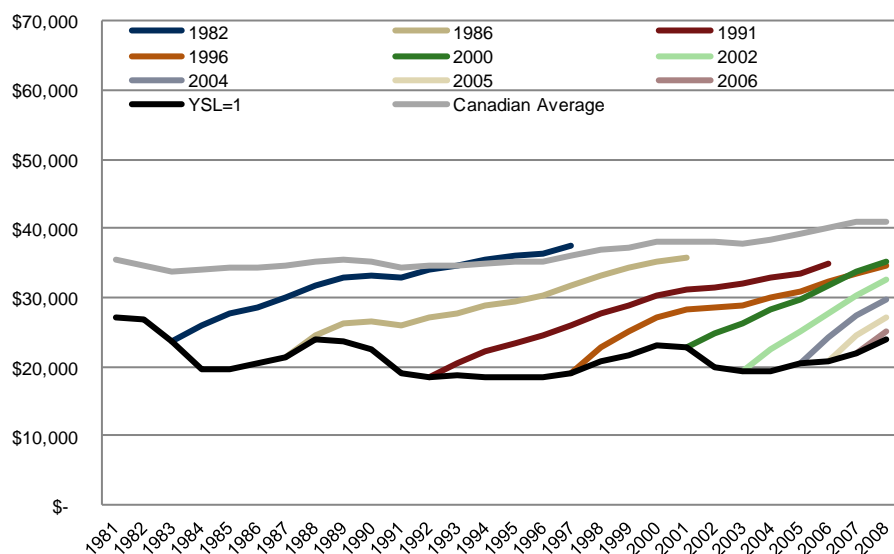
Skilled worker spouses and dependants



- Figure 8 displays the distribution of employment earnings for grouped cohorts in the first and fifth year after landing. For all categories displayed there is a notable concentration in the left (lower) end of the distribution, reflecting a larger share of immigrants falling into the lower employment earnings bracket. However, with an increase in years since landing, the distributions begin to shift right, reflecting growth in employment earnings over time.
- There are differences in the relative earnings distributions by cohort groups.
 - For all immigrants landing in the 1990s the share reporting earnings lower than \$22,500 in the first year (69%) was higher than that seen for those landing in the 1980s (61%) and 2000s (65%). The comparable shares for the 1990s cohort of immigrants remained higher at the third and fifth years following landing as well.
 - For SW principal applicants landing in the 1990s and the 2000s, the share reporting earnings lower than \$22,500 in the first year (48%, 51%) was higher than that seen for those landing in the 1980s. However, the later cohorts of SW principal applicants experienced stronger relative growth in earnings, and by the fifth year since landing the share reporting less than \$22,500 in earnings were on par with that of their 1980s counterparts.
- There are also differences in the relative earning distributions by immigration category.
 - For all immigrants landing in 2000 and onward, 65% had earnings less than \$22,500 in the first year following landing. This share decreased to 55% and 48% in the third and fifth year following landing.
 - For SW principal applicants, the respective shares were notably lower at 51%, 35%, and 26% in the first, third and fifth years following landing.

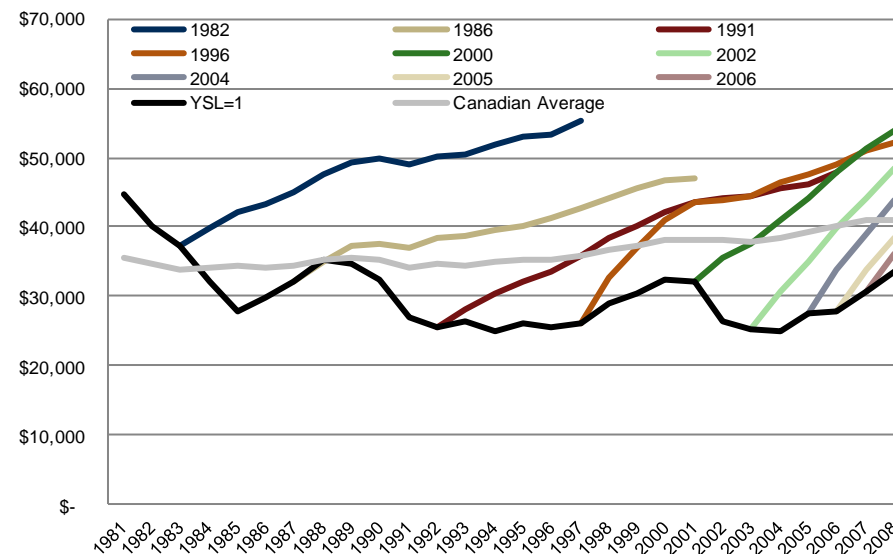
Figure 9: Average employment earnings (\$2008), by landing year and tax year, 1980-2008

All immigrants



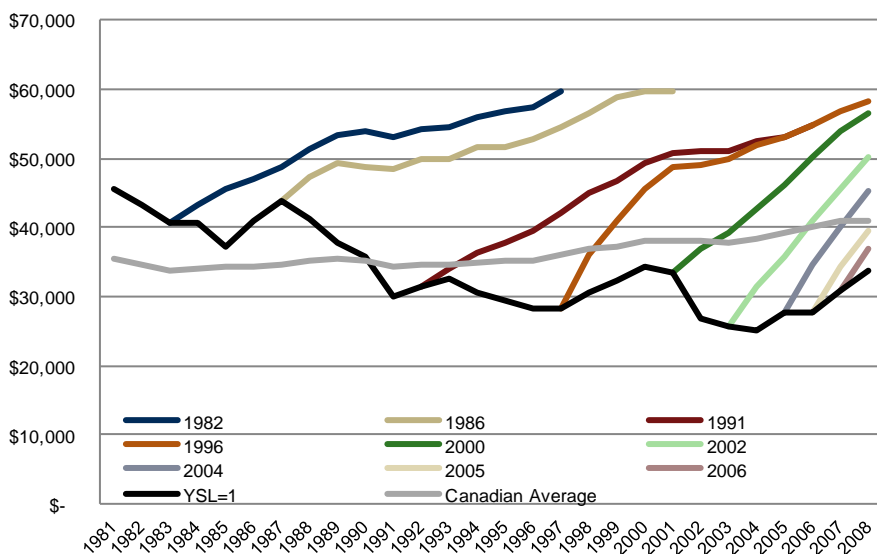
Source: IMDB, 2008 and CRA, 2008

Economic immigrant principal applicants



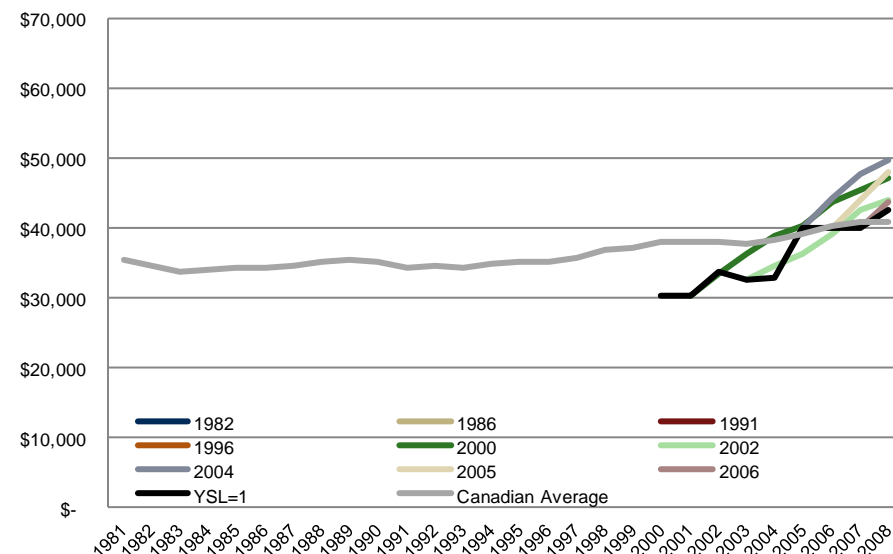
Source: IMDB, 2008 and CRA, 2008

Skilled worker principal applicants



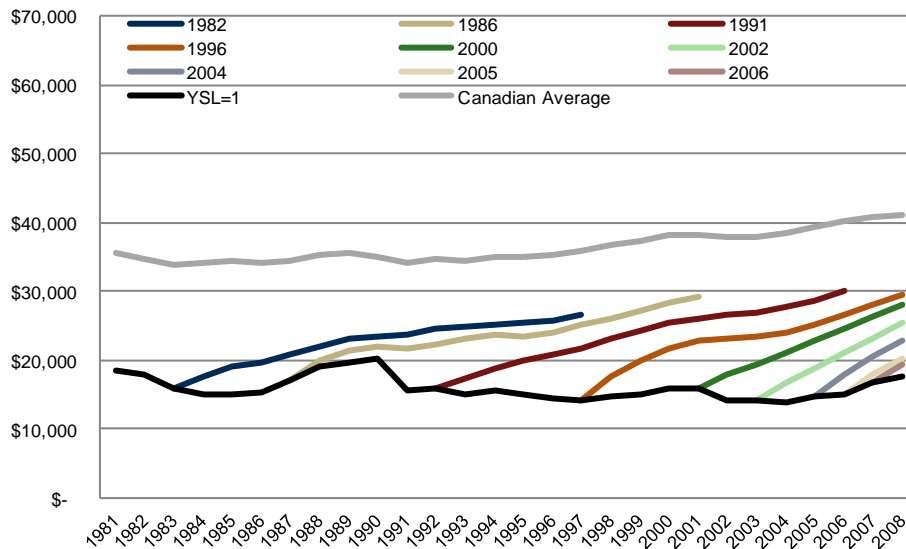
Source: IMDB, 2008 and CRA, 2008

Provincial nominee principal applicants



Source: IMDB, 2008 and CRA, 2008

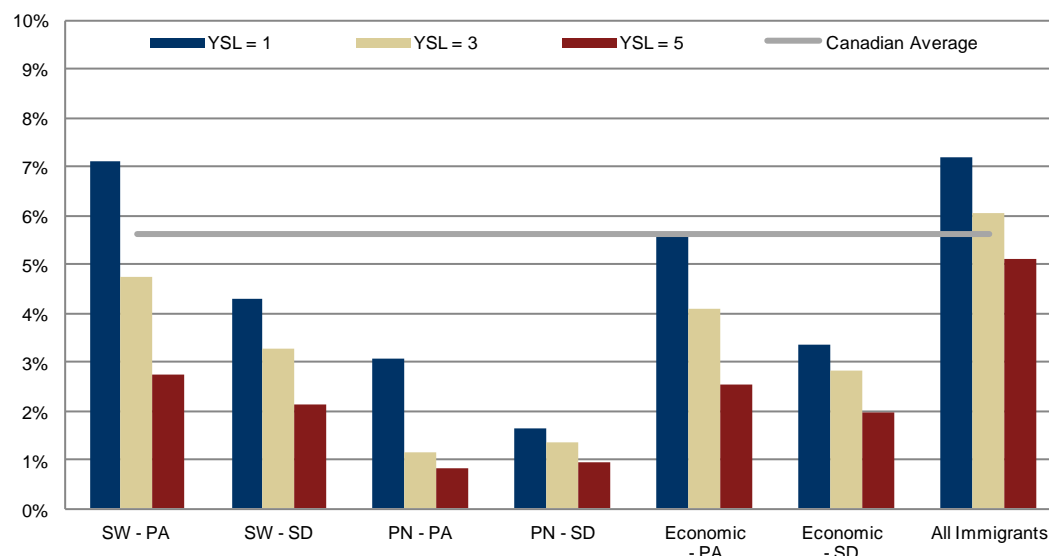
Skilled worker spouses and dependants



Source: IMDB, 2008 and CRA, 2008

- As illustrated in the figures above, SW principal applicants exhibit both higher employment earnings at entry and stronger growth in earnings over time than the average for all immigrants.
 - In contrast, SW spouses and dependants report lower employment earnings at entry and over time compared to the average for all immigrants.
- SW principal applicants landing between 1980 and 1990 had average employment earnings above the Canadian average at entry (YSL=1) and demonstrated growth in earnings over time.
- Although more recent cohorts of SW principal applicants (landing post-1990) report employment earnings below the Canadian average at entry, their strong growth sees them “catch-up” more quickly than immigrants on average.
 - As a result, SW principal applicants have employment earnings on par with or above the Canadian average within 3 years (with the exception of the 2001, 2002, and 2003 cohorts who landed during an economic downturn and caught-up to the Canadian average after 4 years).

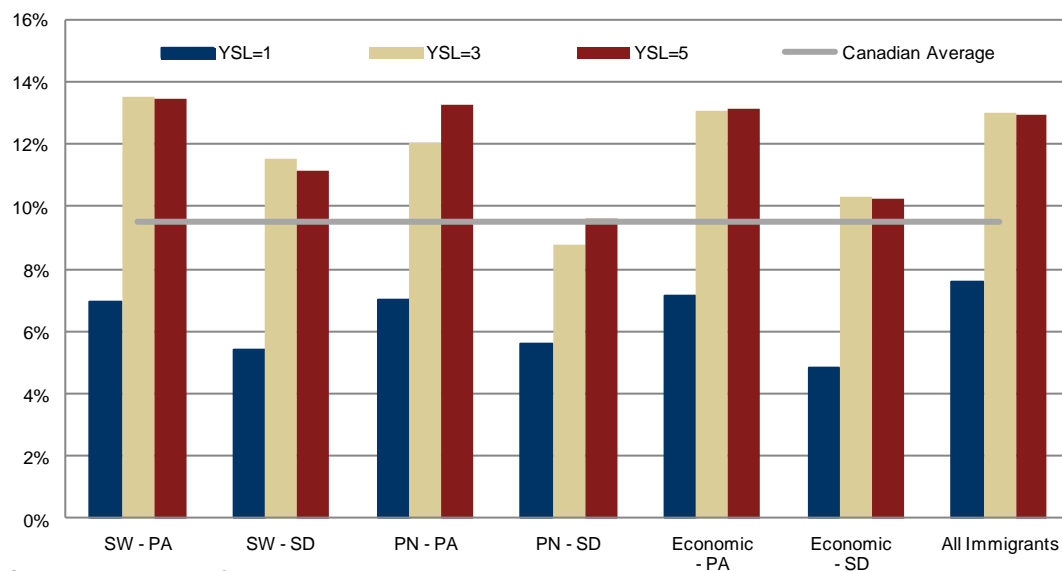
Figure 10: Incidence of social assistance for selected immigrant categories, by years since landing (YSL), in tax year 2008



Source: IMDB, 2008 and CRA, 2008

- There is a clear negative relationship between the incidence of social assistance and years since landing. For all of the economic categories, the incidence of social assistance falls with time spent in Canada.
- In the first year following landing, 7% of SW principal applicants captured in the IMDB report social assistance benefits. This incidence is on par with the average for all immigrants and roughly 1.5% higher than the Canadian average.
- In the third year following landing less than 5% of SW principal applicants report social assistance benefits, and by the fifth year the incidence is less than 3%. Both rates are below the average for all immigrants and the Canadian average.

Figure 11: Incidence of employment insurance for selected immigrant categories, by years since landing (YSL), in tax year 2008



Source: IMDB, 2008 and CRA, 2008

- All economic categories have an incidence of employment insurance below the Canadian average in their first year following landing. With time spent in Canada and in the labour market, the incidence increases.
- In the third and fifth year following landings SW principal applicants have an incidence slightly over 13%. However, by the tenth year it has dropped off to 8.5% and remains below the average for all immigrants and the Canadian average through the fifteenth year. This reflects the typical inverted-U pattern observed for new entrants to the labour market.