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IMDB 2008 Immigration Category Profiles

Provincial Nominees

Findings from the Longitudinal Immigration Database (IMDB)

March 2012

Citizenship and Immigration Canada Citoyenneté et Immigration Canada

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.

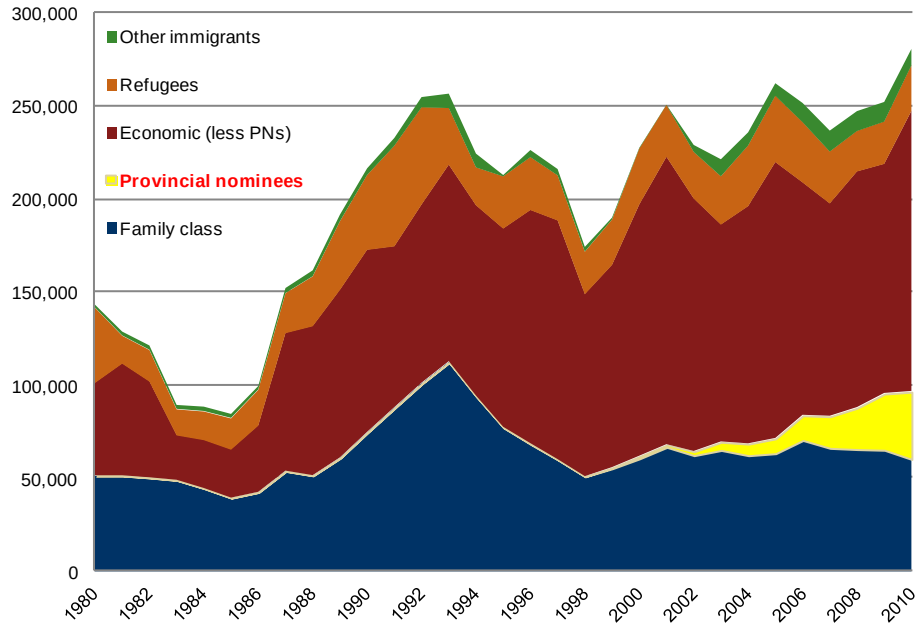
IMDB Research Series - Technical Notes

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

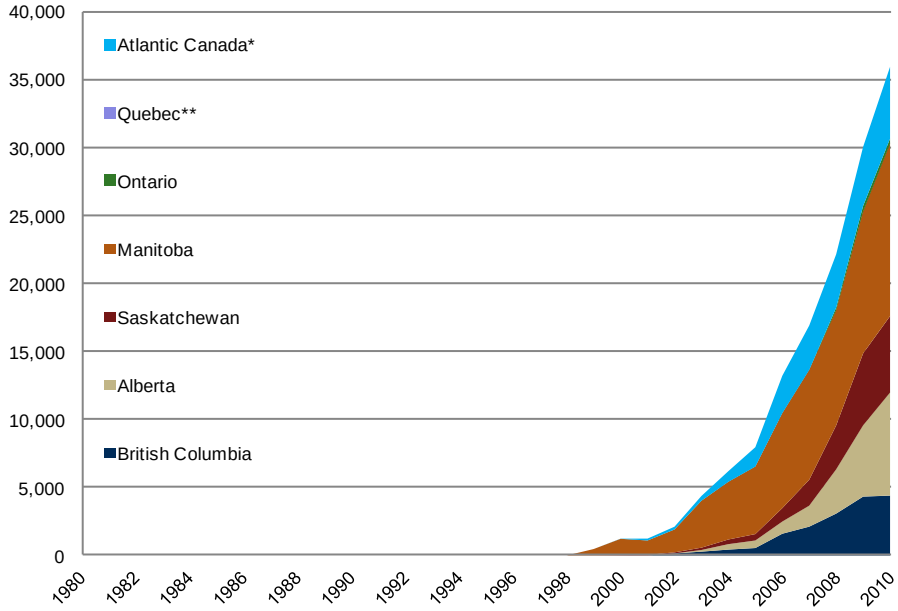
Figure 1: Immigrants, by landing year, 1980-2010

Immigration category



Source: CIC Facts and Figures, RDM, 2010

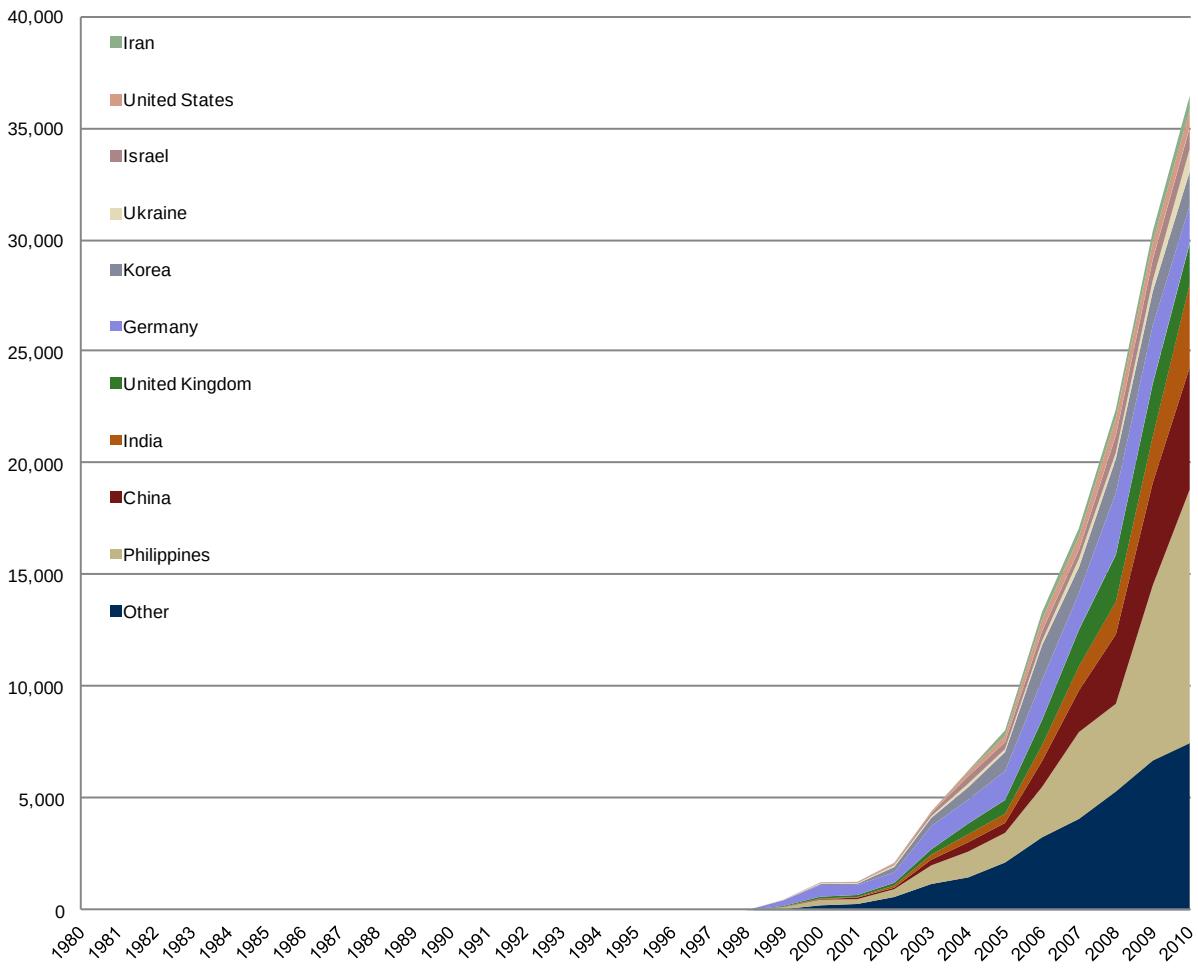
Provincial nominees by province of destination



*Prince Edward Island, Newfoundland and Labrador, Nova Scotia, and New Brunswick
** *No PNP agreement with Quebec*
Source: CIC Facts and Figures, RDM, 2010

- From 1999 to 2010, 143,500 Provincial Nominees (PNs) landed in Canada, accounting for 5% of Canada's total immigration over the timeframe. However, this share has increased steadily from less than 1% of total landings in 1999 to 13% in 2010.
- Manitoba has had the largest share of PNs since the inception of the program. Over the 1999 to 2010 timeframe, Manitoba nominated roughly 64,000 PNs – 45% of the national total. Alberta, Saskatchewan, and British Columbia were not so near seconds accounting for 12%-13% of the national total.
- Although Manitoban PNs dominate the total nominee population in Canada, the share landing in Manitoba has been declining since 1999 as the PN program has become increasingly popular across the country. Manitoba's share of the national total has fallen from 96% in 1999 to 35% percent in 2010.

Figure 2: Number of provincial nominees, by country of last permanent residence, by landing year, 1999-2010

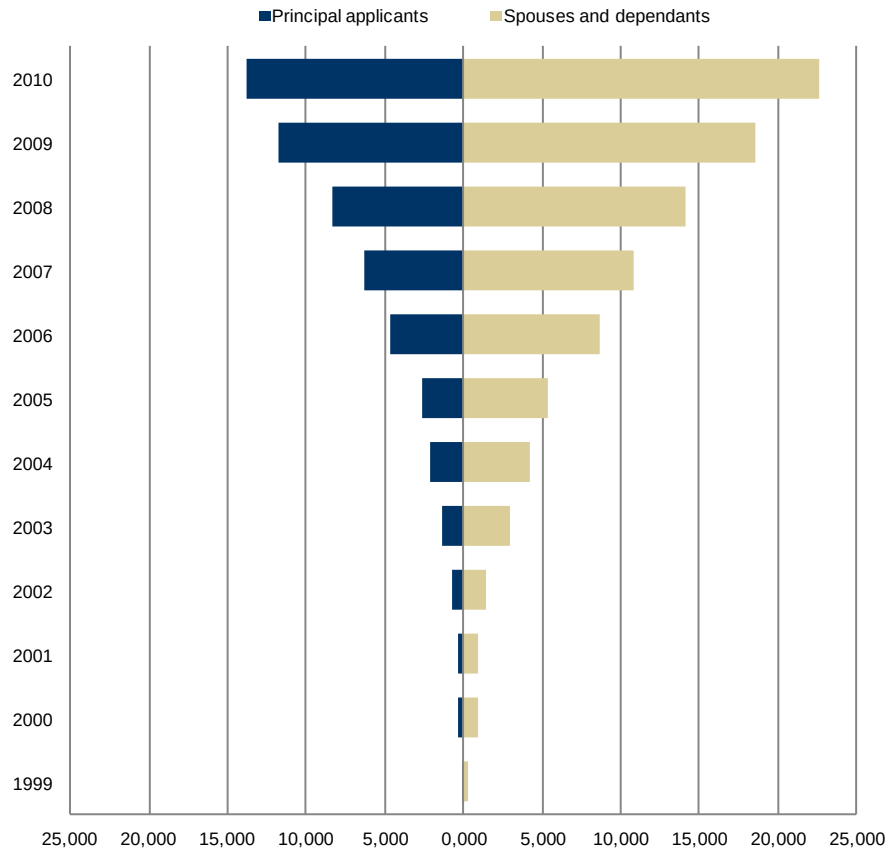


Source: CIC Facts and Figures, RDM, 2010

- From 1999 to 2010, the Philippines, China and Germany were the top three source countries of PNs accounting for 23%, 12% and 11% of total PN landings, respectively.
- However, the most recent landings data indicates a shift in the source countries of PNs, with the Philippines and China making up greater shares of landings (31% and 15% in 2010).
- In 2010, India was the third most popular source country at 10% of landings. Coincident with this trend is a drop in landings from Germany – which constituted 5% of landings in 2010.
- Overall, the top ten source countries shown in Figure 2 have accounted for roughly 77% of all PNs from 2000-2010. In 2010, these top ten source countries accounted for 80% of PN landings.

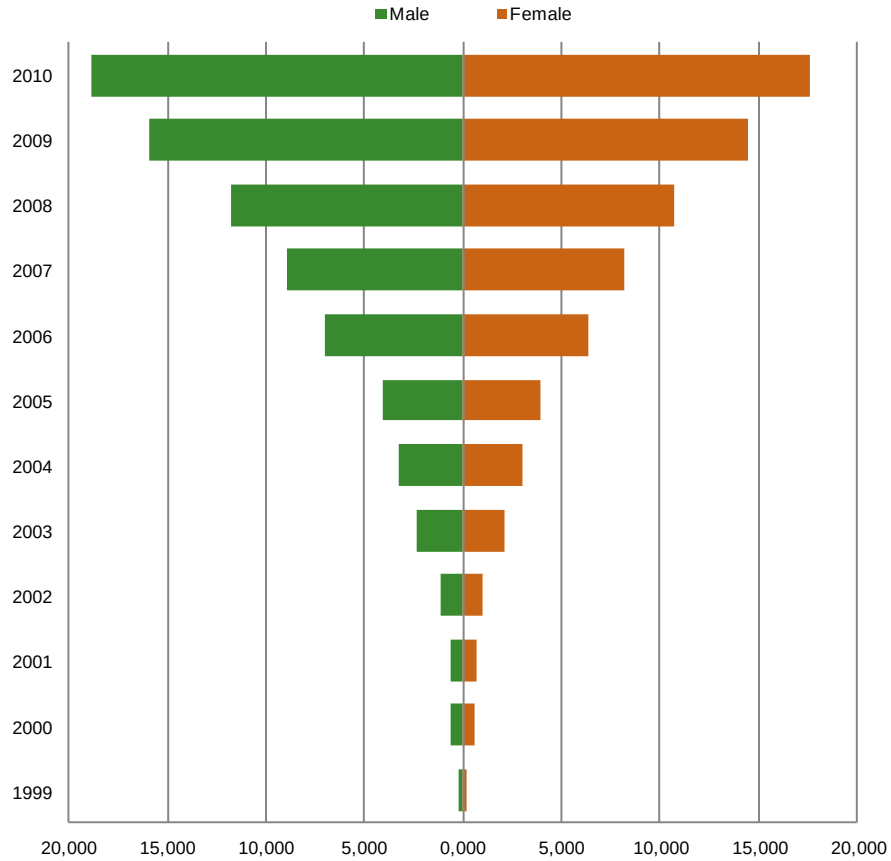
Figure 3: Number of provincial nominees, by landing year, 1999-2010

Family status



Source: CIC, Facts and Figures, RDM, 2010

Gender

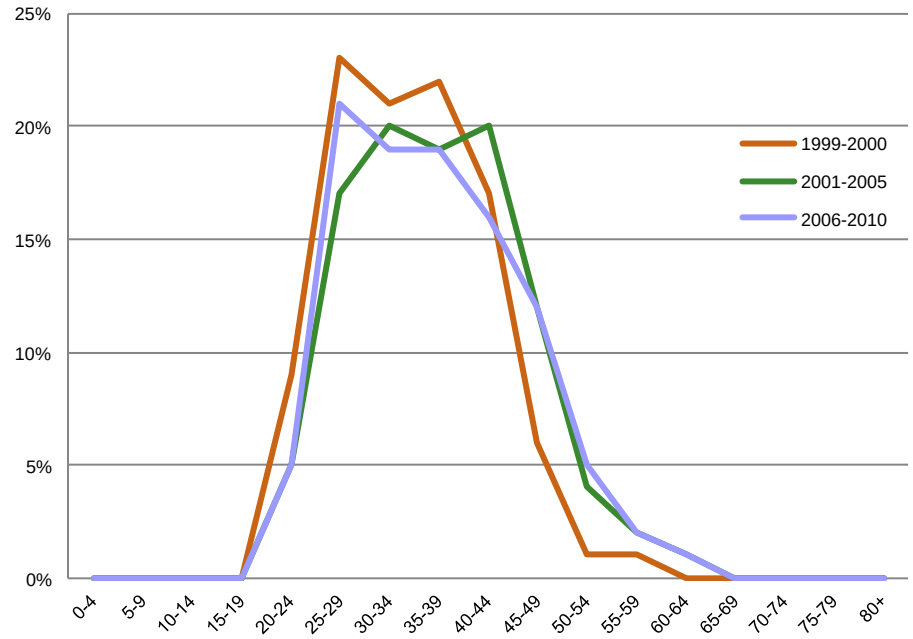


Source: CIC, Facts and Figures, RDM, 2010

- In terms of family status, there have been a greater number of PN spouses and dependants landing than principal applicants. Since the program's inception the ratio of spouses and dependants to principal applicants has been 1.7:1.
- There is a slightly higher share of male PNs (52%) and this share has been fairly constant since the inception of the program. However, there are notable differences in gender by family status with a greater share of males (73%) arriving as principal applicants and a greater share of females (60%) arriving as spouses and dependants.

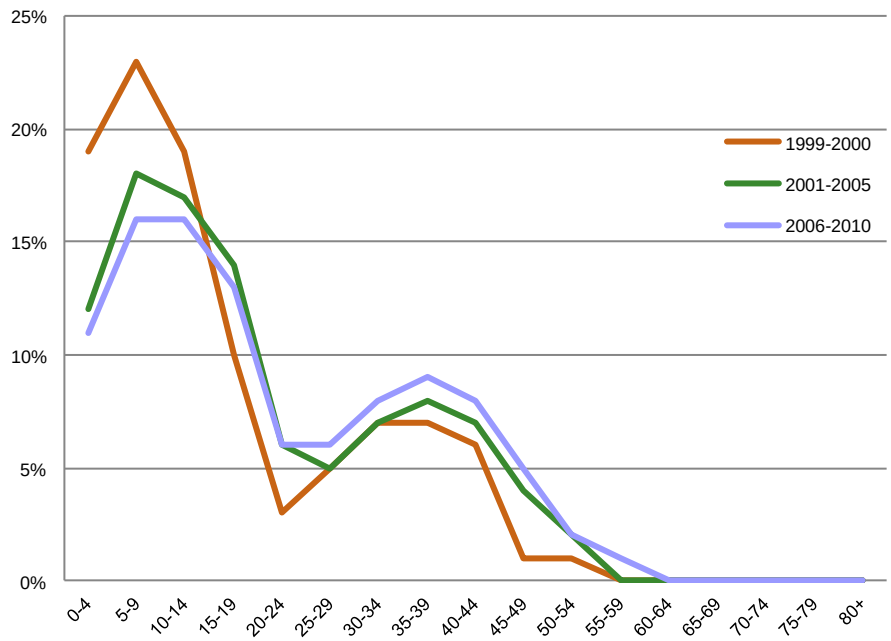
Figure 4: Age distribution of provincial nominees, by landing year, 1999-2010

Principal applicants



Source: CIC, Facts and Figures, RDM, 2010

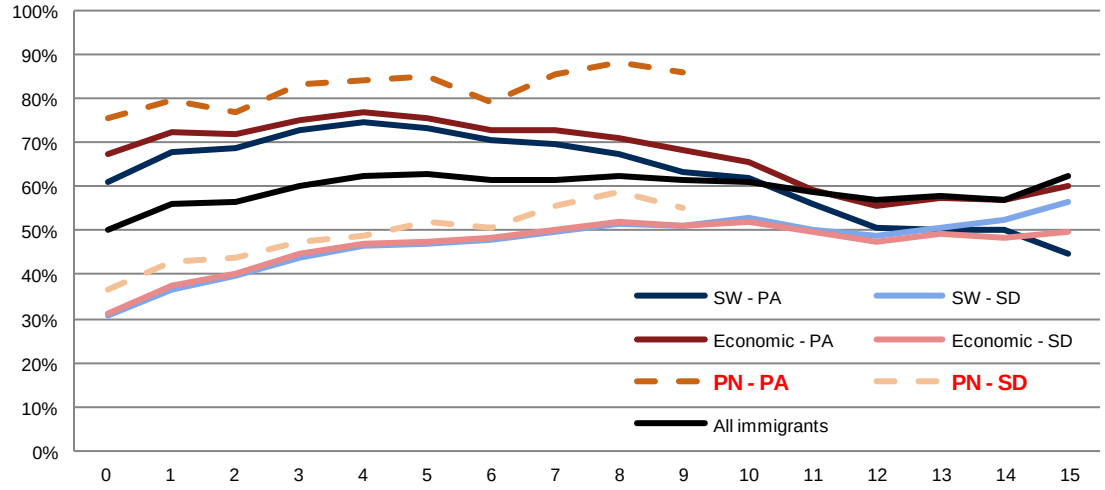
Spouses and dependants



Source: CIC, Facts and Figures, RDM, 2010

- As illustrated in Figure 4, close to 90% of principal applicants are aged 25-49 years at landing. For spouses and dependants, roughly two-thirds have been less than 25 years of age at landing, with the remaining third falling almost entirely into the prime working age group.
- The age distribution of PN spouses and dependants (right) is bimodal, with two near normal distributions. The bimodal distribution is a reflection of the two unique populations in this group – the spouses and the dependants. The dependants would likely fall into the first "hump" – those less than 25 years of age at landing. While the spouses would likely fall into the second "hump" – which matches the distribution seen for the principal applicants.

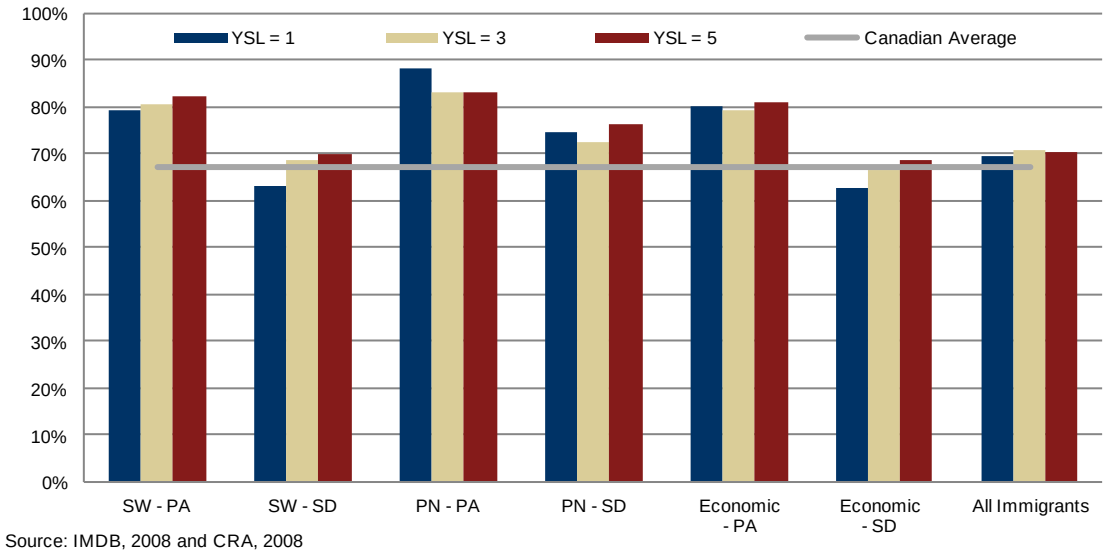
Figure 5: IMDB capture rate for selected immigrant categories, by years since landing (YSL), in tax year 2008



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

- PNs exhibit a high IMDB capture rate in comparison to other immigration categories. PN principal applicants have initial rates of around 80% and, by the 8th year after landing, record a rate close to 90%.
- PN spouses and dependants have a substantially lower IMDB capture rate – starting at 37% and gradually increasing to close to 60%. This rate however is higher than spouses and dependants from comparable economic categories.

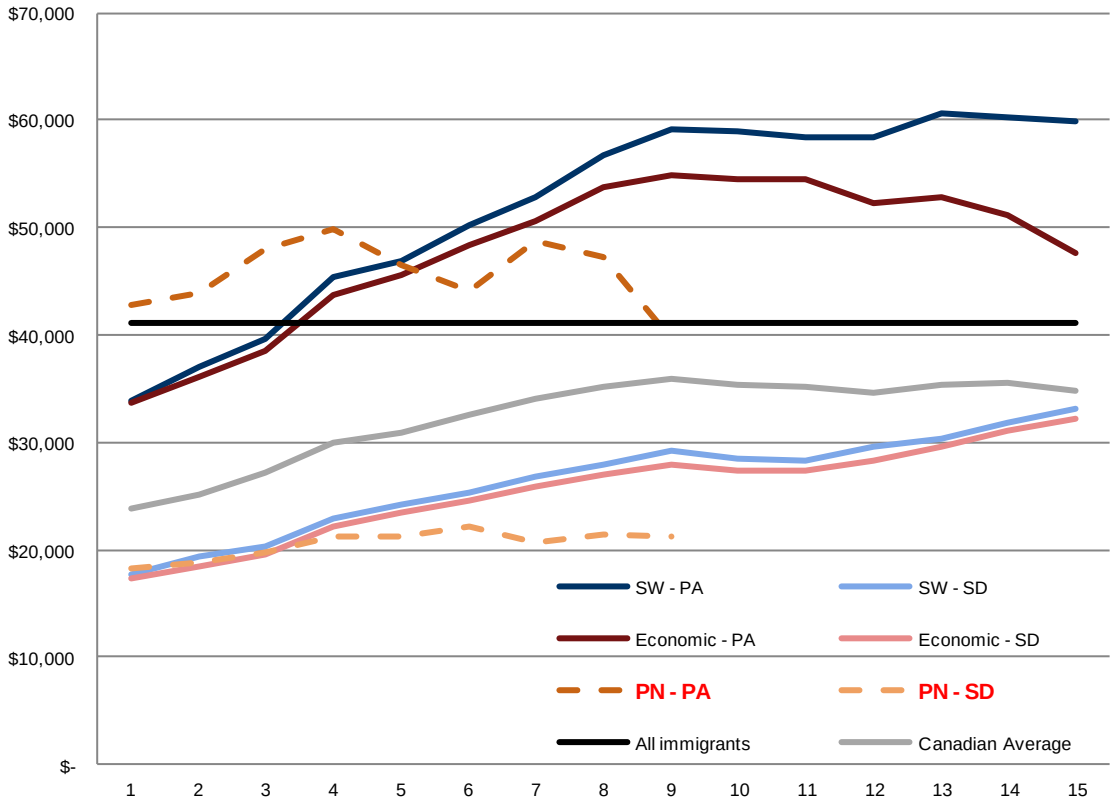
Figure 6: Incidence of employment earnings for selected immigrant categories, by years since landing (YSL), in tax year 2008



Source: IMDB, 2008 and CRA, 2008

- The initial economic outcomes of PNs are among the best of all immigration categories and this is also reflected in the incidence of employment earnings.
- During the first year after landing, 88% of PN principal applicants and 75% of PN spouses and dependants, report employment earnings – this is well above the average of all immigrants (69%) and the Canadian average of (67%).
- Some deterioration in the incidence of earnings is noted for PN principal applicants by the third year after landing; however, the incidence rates stabilize at over 80% for those who have been in Canada for five years or more.
- PN spouses and dependants note gradual improvements from the third year forward, with the incidence increasing to 80% by the eighth year after landing.

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

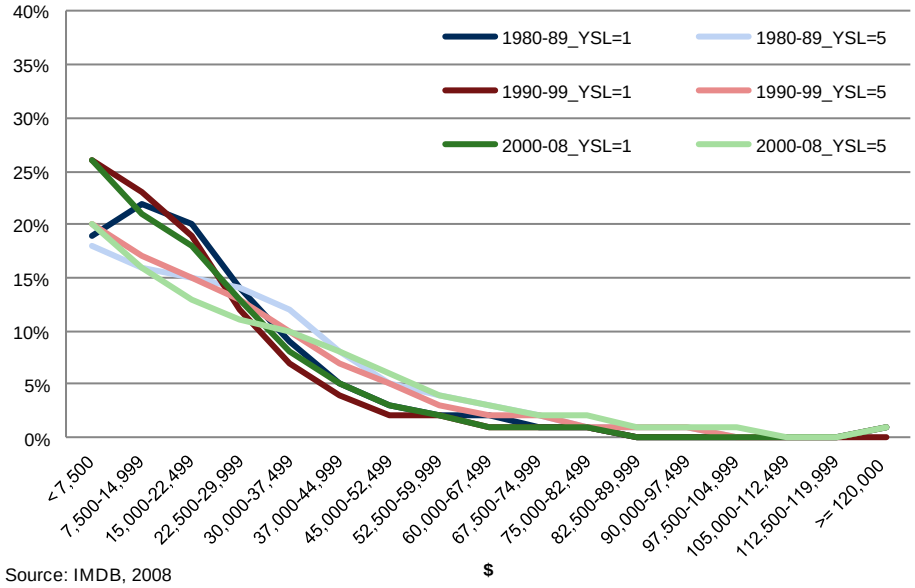


Source: IMDB, 2008 and CRA, 2008

- Although provincial differences exist, on average the entry earnings for PN principal applicants, in tax year 2008, were well above other comparable categories and were very close to the Canadian average.
- For most of the economic categories shown in Figure 7, there generally exists a positive relationship between average employment earnings and time since landing. However, this relationship is less clear for PNs – both principal applicants, and spouses and dependants. PN principal applicants, for example, see a fall in employment earnings in the tenth year following landing, returning them to a level equivalent to that reported at entry.
- Average earnings for PNs are more confined to a range of $40,000-$50,000 during the first ten years following landing while SWs exhibit upward trends in average employment earnings over time.

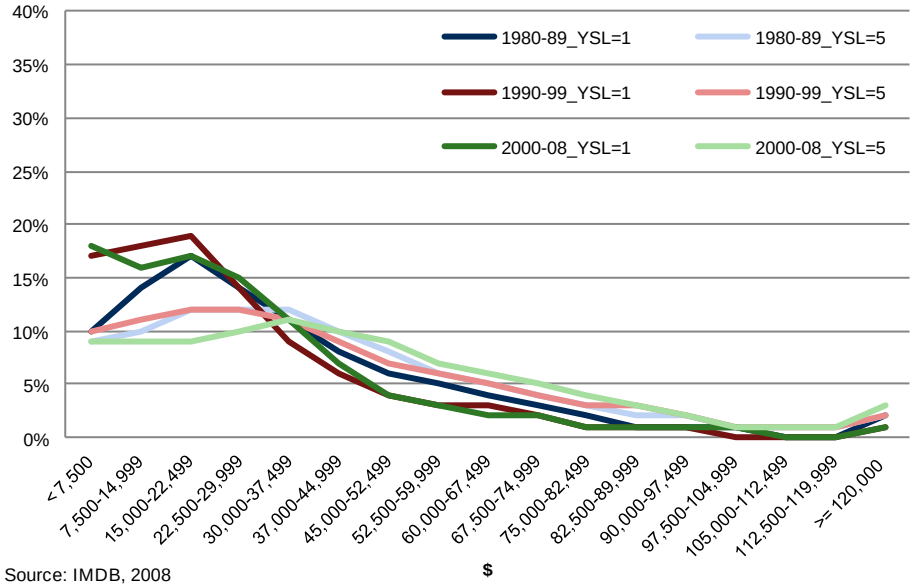
Figure 8: Distribution of employment earnings ($2008), by cohort for selected immigrant categories, by years since landing (YSL), in tax year 2008

All immigrants



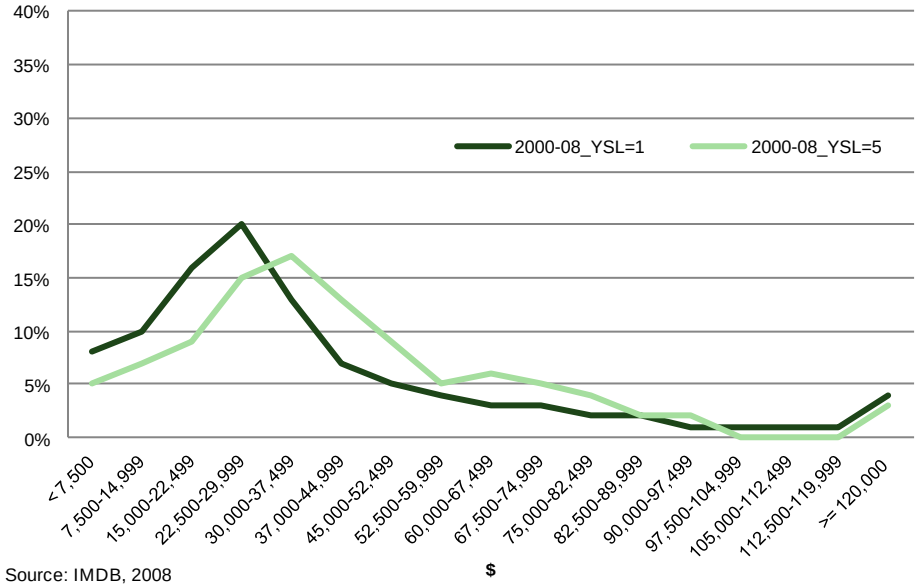
Source: IMDB, 2008

Economic immigrants principal applicants



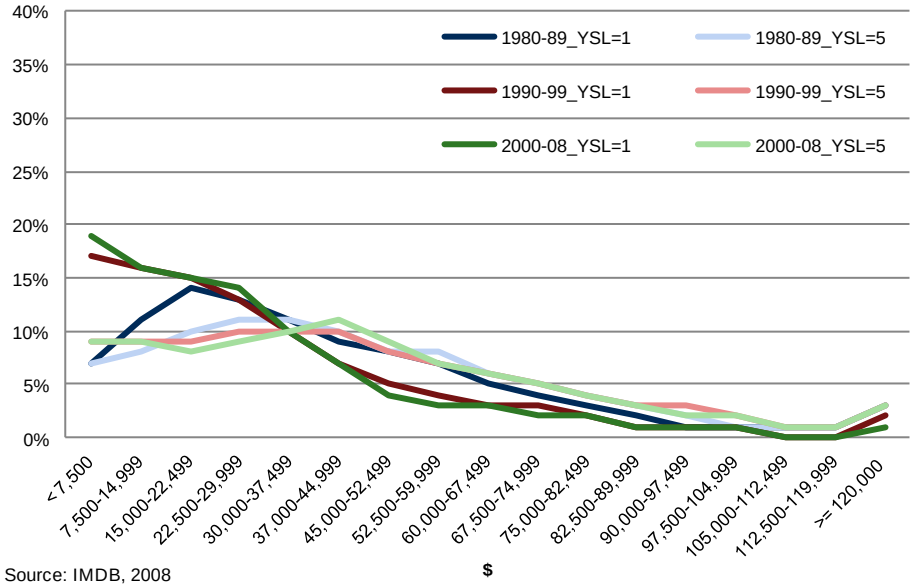
Source: IMDB, 2008

Provincial nominee principal applicants



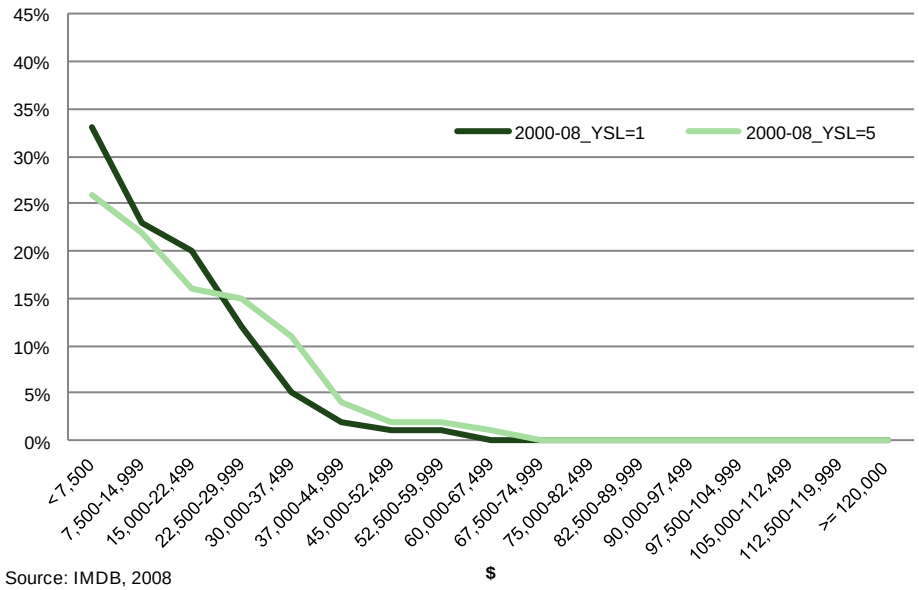
Source: IMDB, 2008

Skilled worker principal applicants



Source: IMDB, 2008

Provincial nominee spouses and dependants

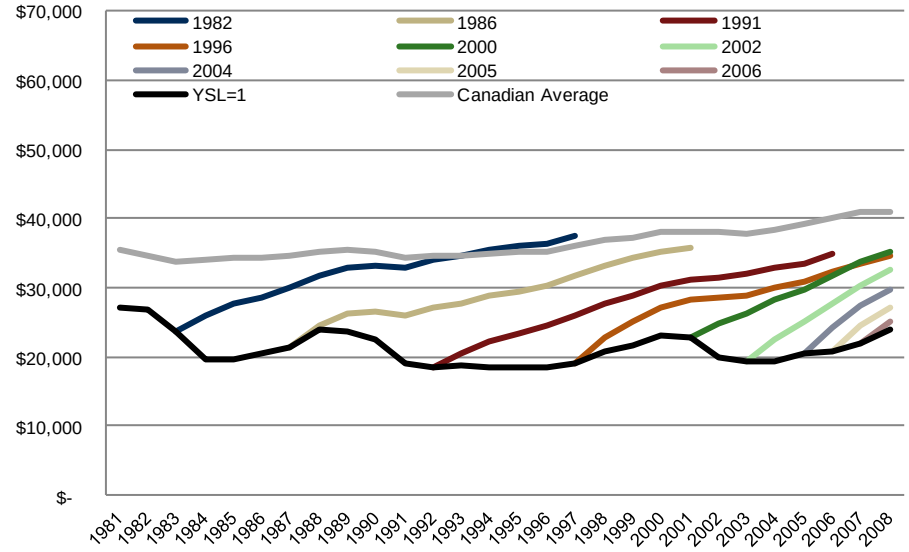


Source: IMDB, 2008

- 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 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.
  - For PN principal applicants, the earnings distribution is visibly less concentrated in the left tail, and the shares of PN principal applicants reporting average employment earnings less than $22,500 are even lower than those seen for SW principal applicants at 33%, 26%, and 21% in the first, third and fifth years following landing.
- The earnings distribution for PN spouses and dependants more closely resembles that seen for all immigrants and other spouses and dependants in the economic class.
  - For PN spouses and dependants landing in 2000 and onward, higher shares reported earnings less than $22,500 as compared to all immigrants. In the first year after landing 76% of PN spouses and dependants reported earnings lower than $22,500. This share decreased to 69% and 64% in the third and fifth years, respectively.
  - For SW spouses and dependants similar shares were observed, with 78%, 66%, and 58% reporting earnings lower than $22,500 in the first, third and fifth year following landing.

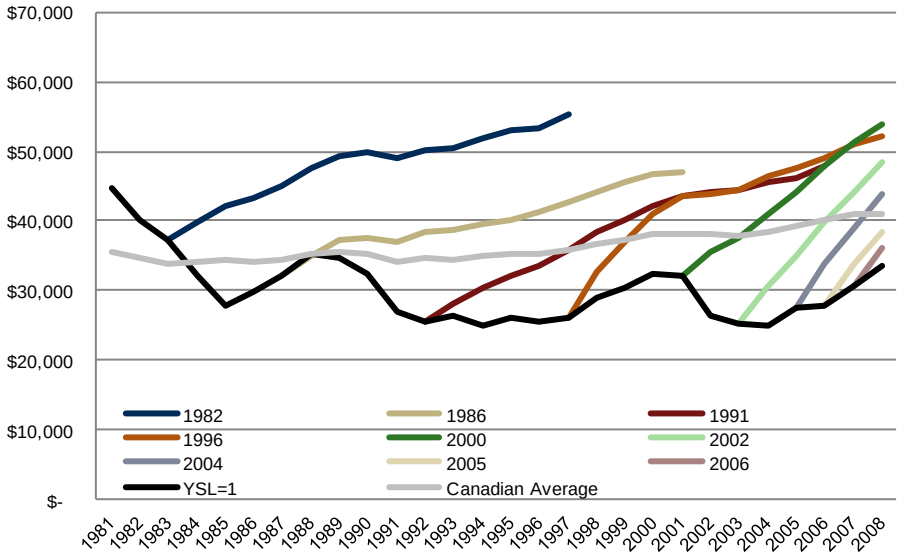
Figure 9: Average employment earnings ($2008), by landing year and tax year, 1980-2008

All immigrants



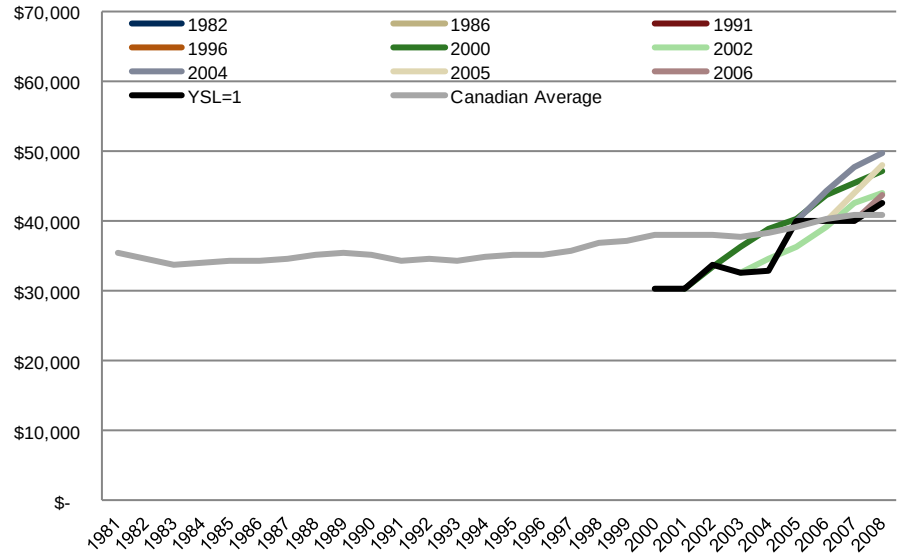
Source: IMDB, 2008 and CRA, 2008

Economic principal applicants



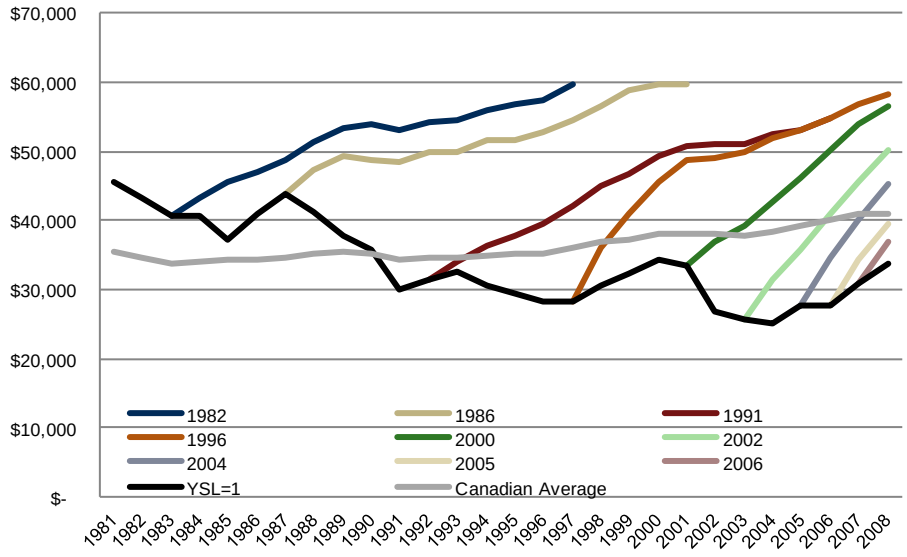
Source: IMDB, 2008 and CRA, 2008

Provincial nominee principal applicants



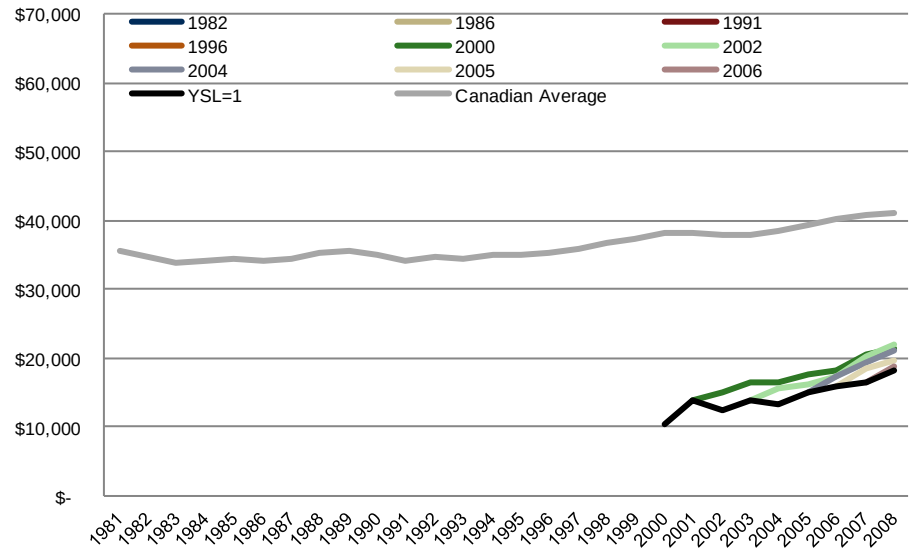
Source: IMDB, 2008 and CRA, 2008

Skilled worker principal applicants



Source: IMDB, 2008 and CRA, 2008

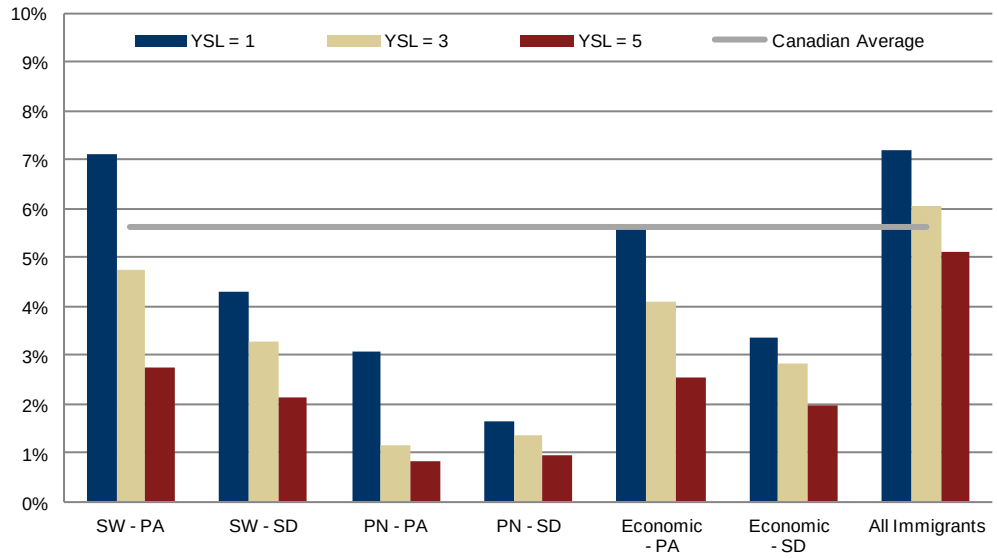
Provincial nominee spouses and dependants



Source: IMDB, 2008 and CRA, 2008

- There is a notable difference in average employment earnings between PN principal applicants and Skilled Worker (SW) principal applicants. Most notably, since 2001 the average entry (YSL=1) earnings for PN principal applicants have been considerably higher than SW principal applicants.
- PN principal applicants catch-up to the Canadian average just as quick and in some cases quicker than SW principal applicants.
  - PN principal applicants who landed in 2000 to 2003 caught-up to the Canadian average within 3 to 4 years after landing. Those landing in 2006-2007 had entry earnings on par or above the Canadian average.
  - SW principal applicants who landed in 1999 and 2000 caught up to the Canadian average within their first two years following landing. However, those who landed following the information technology bust (2001-2003) had lower entry employment earnings and thus, took a bit longer to catch-up (roughly 4-5 years). For subsequent cohorts (2004-2007) there has been an increase in entry employment earnings and a quicker catch-up rate has evolved.
- Also noteworthy is that the earnings growth of PN principal applicants is not as robust as SW principal applicants. The graphics in Figure 9 show that SWs' earnings grow at a much faster rate than PNs' and reach substantially higher average earnings for the same cohorts.
- As is the case for many immigrant categories, differences in labour market intentions, behaviours, and expectations exist between principal applicants and spouses and dependants and PNs are no exception. On average, PN spouses and dependants earn substantially less (roughly one half) as compared to PN principal applicants.

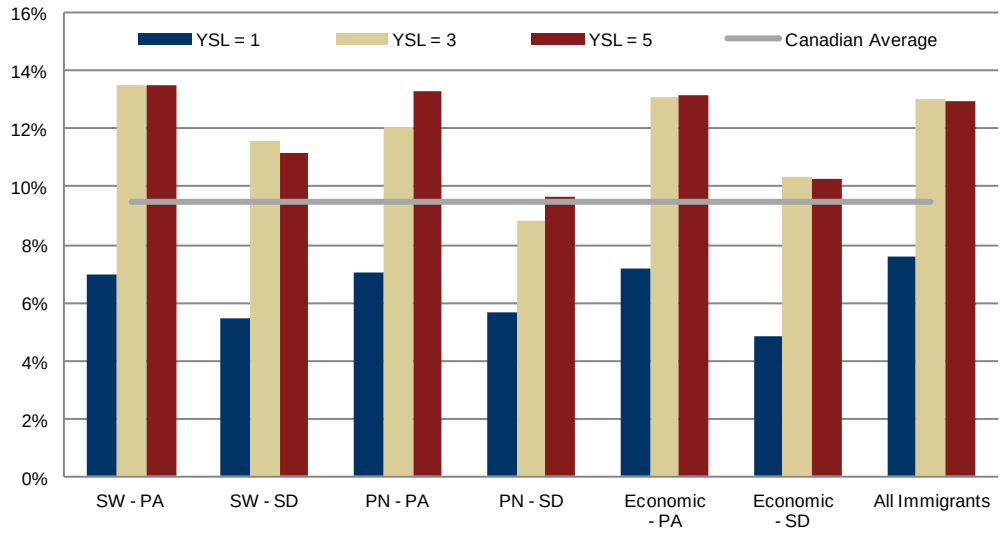
Figure 10: Incidence of social assistance for selected immigrant categories, by years since landing (YSL), in tax year 2008



Source: IMDB, 2008 and CRA, 2008

- PNs – principal applicants and spouses and dependants – exhibit the lowest incidence of social assistance among all comparable immigration categories and well below the average of all immigrants and the Canadian average.
- In addition to the low incidence of social assistance in their first year following landing, the incidence continues to fall in subsequent years after landing.
- This is an expected result given the high incidence of employment earnings and strong average employment earnings illustrated previously.

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. This relationship holds true for PNs – principal applicants and spouses and dependants.
- The incidence of employment insurance for PN principal applicants is initially (YSL=1) lower than the Canadian average, but subsequently moves above the Canadian average. The pattern encountered for PN principal applicants is similar to that of SW principal applicants.
- PN spouses and dependants have the lowest incidence as compared to other categories shown in Figure 11 during the first five years after landing.