

# **Social Planning Council of Ottawa**

# REPORT SUMMARY

# Immigrants' Economic Integration: Successes and Challenges

A Profile of Immigrants in Ottawa Based on the 2006 Census

June 2009

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#### Introduction

This report highlights the importance of the immigrant population for the economic growth of the City and discusses the challenges immigrants face in achieving social and economic integration. This report is the third in a series of reports from the Social Planning Council based on the 2006 Census. The first report, *This is Who We Are: A Social Profile of Ottawa Based on the 2006 Census*, launched in November 2008, provided the framework and benchmarks used in this thematic report.

The report is divided in five thematic areas: Population Growth; Diversity; Makeup of the Immigrant Population; Labour Market Integration; Incomes, Poverty and Housing Affordability. The first thematic area shows the importance of the immigrant population in Ottawa's population growth. The second thematic area highlights the diversity of cultures and languages in the City as a result of immigration. The third thematic area addresses the composition of Ottawa's population by immigrant status, focusing on three main groups: children and youth, seniors and working population. The fourth thematic area, analyzes immigrants' labour market integration as measured by their participation and unemployment rates, occupations, work hours and earnings. The fifth thematic area looks at immigrants' incomes and the incidence of low income for individuals, families, households, children and seniors. We choose to use the median income instead of the average income to analyze income inequality, because in using average income, high earners can bring the average up.

The report presents a social and economic portrait of the immigrant population as reflected in the 2006 census data. Census information related to income is based on the full year prior to the survey (specifically 2005 for the most current census). In this report, "recent immigrants" refers to immigrants who arrived during the period 2001 to 2006. Most of the report is based on a standard Statistics Canada boundary, called the census sub-division. This corresponds to the boundaries of the City of Ottawa. In a few clearly defined cases, we provided information based on the boundary of the census metropolitan area (CMA) identified by Statistics Canada, as "Ottawa-Gatineau census metropolitan area (Ontario Part). This is an area slightly larger than the City of Ottawa proper, and includes a few areas within Russell Township on the east. We use CMA data only where comparable data was not available to us at the census sub-division level. The primary data of this report is based on custom data requests from the 2006 Census for immigrants and recent immigrants. In addition, we have used data from the Canadian Social Data Consortium of the Canadian Council on Social Development. A small amount of data is from the Statistics Canada website.

Throughout the report we compare the situation of immigrants in Ottawa to that of all Ottawa residents (called "General Population"). Some research on immigrants compares to "non-immigrants" rather than the general population. Either method is valid, but each presents a slightly different picture. We compare to the general population rather than to "non-immigrants" for four reasons. First, this is part of a larger body of work by the Social Planning Council

<sup>&</sup>lt;sup>1</sup> The second report in the series is *Challenging Transitions: A Profile of Early School Leavers Aged 15 to 24 in Ottawa, 2006.* Ottawa: Social Planning Council of Ottawa, November 2008.

focusing on the issues of exclusion and inclusion, examining the experience of many different groups. This work includes dozens of reports and numerous community development projects, and will continue with forthcoming reports based on the 2006 census. With the other groups of interest within this body of exclusion/inclusion work (e.g. people with disabilities, Francophones, low income residents) we compare to the general population. Using the general population as the baseline permits comparisons and contrasts between groups. Second, data is more available for the general population than for "non-immigrants". Third, we believe that immigrant issues concern the general population and the dichotomy between immigrants and non-immigrants separates them, instead of bridging their inclusion. Fourth, the diversity of the immigrant population is better reflected in the total population than in the non-immigrant population.

This report provides limited information with respect to Francophone immigrants. We do not currently have access to the custom data required to properly profile Francophone immigrants; however, we will be publishing a report in the future on Francophones and Francophone Immigrants, based on a future custom data purchase.

We gratefully acknowledge the City of Ottawa, which has generously provided funds to the Social Planning Council to produce this report and for custom data purchases. We also offer sincere thanks to United Way Ottawa for its support of this report, resourcing part of the staffing and part of the translation. Additional resources for translation were raised through fundraising of the Social Planning Council of Ottawa.

We offer our sincere thanks to members of out Advisory Committee:

Fowsia Abdulkadir Ray Barton Elizabeth Chin

Euphrasie Emedi Maria-Cristina Serje Jean Silbert La Police

Jean-Philippe Thompson Sara Torres

The analysis in the report reflects the opinion of the SPC.

We hope that the findings of this report will assist policy makers, service providers and community members to strengthen immigrants' socio-economic inclusion. The evidence presented in this report indicates that the success of immigrants benefits the entire population, regardless of whether one is an immigrant or not, as their success has a direct impact on the current and future economic growth of the City.

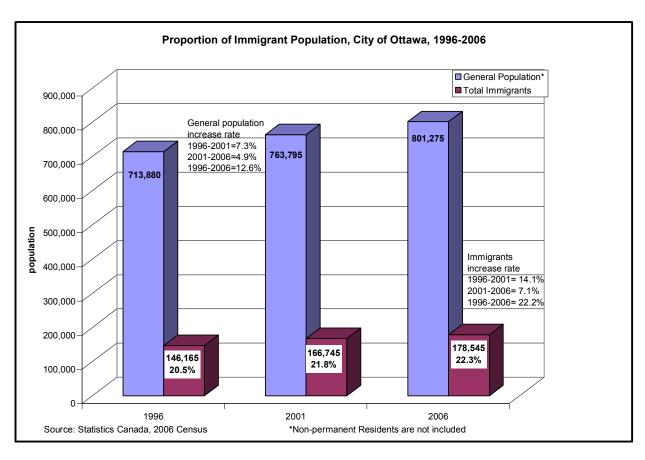
# Highlights of the Report

#### **Migration and Population Growth**

Immigrants are people who have been granted the right to live permanently in Canada by immigration authorities. In 2006, there were 178,545 immigrants living in Ottawa, representing almost a quarter of the City's population; 80% holding Canadian citizenship. In the same year, 1,131 refugees settled in Ottawa (landed refugees who became permanent residents).<sup>2</sup>

During the period 1996-2006, the immigrant population increased at almost twice the rate of the City's general population (22.2% vs. 12.6%). Moreover, 79% (29,650) of Ottawa's population growth during the period 2001-2006 was the result of recent immigrants.

The immigrant population has a crucial role to play, particularly at a time when projections indicate that Canada is facing a zero population increase and thus is becoming a country that is unable to replace its aging workforce.



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<sup>&</sup>lt;sup>2</sup> Citizenship and Immigration (CIC), Facts and Figures - Immigration Overview: Permanent and Temporal Residents 2006. Data for Ottawa-Gatineau (Ontario Part).

During the period 1996-2006, 13,591 refugees settled in Ottawa as permanent residents. Ottawa has the second highest proportion of refugees among its permanent residents among the five cities that received the largest number of refugees during the period 2003-2006. Its annual average share was 17.9% of Permanent Residents in that period.

At the domestic level, immigrants are the driving force behind population growth in the City of Ottawa, as Canada and Ottawa face a zero population growth rate. A significant percentage of recent immigrants age 25-64 are in the younger (entry) working ages (42.6%, compared to 23.9% for the general population). As well, their families tend to have more children on average. With almost 40% of recent immigrants (2001-06) reporting knowledge of French only, there is also an increasing importance of French-speaking immigrants in the growth and cultural diversity of the francophone community in Ottawa<sup>3</sup>.

Immigrants' cultural and linguistic diversity has strengthened Canada's comparative advantages in the global economy. Economic growth depends on success in the social and economic integration of immigrants and their families, particularly their children and youth.

Despite the economic importance of immigrants, the City is failing to attract and retain immigrants. The percentage of immigrants settling in Ottawa has decreased over the past two years while some immigrants who settled in Ottawa have moved to a second destination or returned to their home countries.

#### **Retention and Secondary Migration**

As with the general population, immigrants may move after having settled in Ottawa for a period of time. This movement to subsequent destinations within Canada and outside the country is called secondary migration.

Census data on mobility shows a net loss of 1,650 immigrants through secondary migration, who moved from Ottawa to other locations in Canada. Ottawa is among the top cities that saw more than 10 percent of recent immigrants migrate to a secondary destination, elsewhere in Canada, during the period 2001-2006. Research from the Federation of Canadian Municipalities points out to the concerning fact evidenced by data, that some recent immigrants are returning to their country of origin. Large cities are also losing immigrants needed by the local labour market, as immigrants choose to settle in suburban or small communities that offer better integration opportunities.<sup>4</sup>

Among the factors influencing this net loss are a lack of employment opportunities, a lack of access to public services and affordable housing, negative experiences and systemic discrimination of racialized visible minority groups.

<sup>&</sup>lt;sup>3</sup> A future report will profile the Francophone immigrant population (once the required custom data become available).

<sup>&</sup>lt;sup>4</sup> Federation of Canadian Municipalities (FCM), *Quality of Life in Canadian Communities: Immigration & Diversity on Canadian Cities & Communities.* Theme Report #5, 2009, pg.5.

#### **Diversity**

#### **Countries of Birth**

There is significant cultural diversity in the City, particularly language diversity. The five top countries of birth of immigrants in 2006 were the United Kingdom, China, Lebanon, India and United States.

Immigrant Population by 20 Top Countries of Birth*, City of Ottawa, 2006						
	Total Immigrants		Recent Immigrants (2001-2006)			
Place of Birth	Number	%	Number	% of immigrants from each country who arrived in 2001-2006		
Total Immigrants	178,545	100.0%	29,650	16.6%		
United Kingdom	18,495	10.4%	940	5.1%		
China, People's Republic of	14,010	7.8%	3,880	27.7%		
Lebanon	9,380	5.3%	755	8.0%		
India	8,155	4.6%	1,610	19.7%		
United States of America	7,865	4.4%	1,315	16.7%		
Italy	6,665	3.7%	70	1.1%		
Viet Nam	5,950	3.3%	260	4.4%		
Philippines	4,905	2.7%	1,335	27.2%		
Germany	4,720	2.6%	260	5.5%		
Poland	4,260	2.4%	120	2.8%		
Somalia**	3,905	2.2%	520	13.3%		
Iran	3,695	2.1%	825	22.3%		
Haiti	3,705	2.1%	795	21.5%		
Jamaica	3,100	1.7%	200	6.5%		
Hong Kong, Special Administrative Region	2,920	1.6%	110	3.8%		
Pakistan	2,765	1.5%	740	26.8%		
Russian Federation	2,240	1.3%	660	29.5%		
Netherlands**	2,190	1.2%	75	3.4%		
Portugal**	2,145	1.2%	15	0.7%		
Romania	2,185	1.2%	465	21.3%		
Total 20 top countries	113,255	63.4%	14,950	50.4%		
Other places of birth	65,290	36.6%	14,700	49.6%		
*Data from Ottawa City Profile, Selected Places of Birth						
**Data from Ottawa-Gatineau (Ontario Part)						
Source: Statistics Canada, 2006 Census						

The five top countries of birth of recent immigrants in 2006 were the China, India, Philippines, United States and United Kingdom.

#### **Visible Minority Immigrants**

Among the increasing diversity of the City's population are immigrants identified as visible minorities. In 2006, 57.8% of immigrants (103,135) self-identified as visible minorities.

<sup>&</sup>lt;sup>5</sup> In this report we use Statistics Canada's definition of visible minorities, specifically "non-Caucasian in race or non-white in colour, other than Aboriginal." They include: Chinese, South Asian, Black, Filipino, Latin American, Southeast Asian, Arab, West Asian, Korean and Japanese. The SPC recognizes many of the problems with the

75.1% (22,275) of recent immigrants who arrived during the period 2001-2006 self-identified as visible minorities. In 2006, four visible minority groups comprised 73.6% (75,860) of total visible minority immigrants. These were the Chinese, South Asian, Black and Arab visible minority groups. The same groups predominated among recent immigrants who arrived during the period 2001-2006 and were visible minorities.

In 2006, 32.8% of the visible minority population living in the City were not immigrants, but in fact Canadian-born citizens.

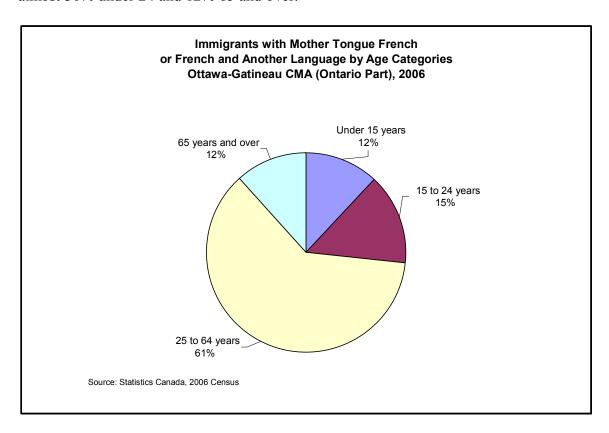
Visible Minority Immigrant Population, City of Ottawa, 2006					
Visible Minority Groups	Total V Mind Immig	/isible ority	Recent Visible Minority Immigrants (2001-2006)		
	Number	%	Number	%	
Total Visible Minority	103,135	100.0%	22,240	100.0%	
Chinese	20,095	19.5%	4325	19.4%	
South Asian	17,765	17.2%	3755	16.9%	
Black	22,410	21.7%	5085	22.9%	
Filipino	4,790	4.6%	1370	6.2%	
Latin American	6,175	6.0%	1390	6.3%	
Southeast Asian	6,645	6.4%	485	2.2%	
Arab	15,590	15.1%	3480	15.6%	
West Asian	4,870	4.7%	1495	6.7%	
Korean	1,450	1.4%	410	1.8%	
Japanese	560	0.5%	130	0.6%	
Multiple & not included above	2,785	2.7%	315	1.4%	
Total Immigrant Population	178,545		29,650		
% Visible Minority Immigrants	57.8%		75.0%		
Source: Statistics Canada, 2006 Census					

#### **Francophones**

Francophone immigrants are an increasingly important part of the immigrant portrait. However, this report presents only a very limited amount of information on Francophone immigrants because the Social Planning Council will be producing a separate report on Francophones and Francophone Immigrants as part of its' series of census based profiles. The report will be based on a custom data set from Statistics Canada, which uses a revised definition of "Francophone", focusing on language use.

# French Mother Tongue<sup>6</sup>

5.3% of immigrants in 2006 had French or French & another language as their mother tongue (9,480). This is comparable to the percentage of immigrants in Ottawa in 2001 who had French or French & another language as their mother tongue. The age distribution of those with French as one of their mother tongues is a fairly standard distribution, with 61% in the working years, almost 30% under 24 and 12% 65 and over.



#### **Knowledge of French**

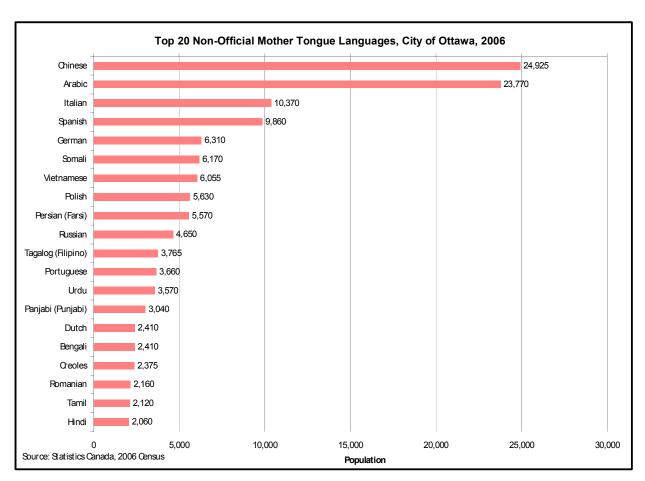
The number of immigrants with a knowledge of French is significantly higher than those who have French as a mother tongue. Knowledge of French among immigrants is increasing. In 2006, 25.0% (44,600) and 21.6% (6,420) of recent immigrants had knowledge of French. Moreover, with respect to knowledge of official languages among immigrants, recent immigrants with knowledge only of the French official language increased from 3.0% to 3.9% from 2001 to 2006. Immigrants with knowledge of French represent an important source of population growth for Ottawa's Francophone community.

<sup>&</sup>lt;sup>6</sup> The information in the current report is based on the concepts of "Mother Tongue" (French or French & another language) and Knowledge of Official Languages.

#### **Non-Official Languages**

As a result of the increasing diversity of immigration, there is a richness of languages from many countries around the world in the City. The linguistic diversity of the immigrant population in Ottawa is expressed in 69 non-official mother tongue languages. A mother tongue is defined as the first language a person learned at home during childhood and still had a good understanding at the time of the census. Current literature points out that language diversity of immigrants, instead of being a challenge, strengthens the Canadian position in the global market economy and the country's international development and peacekeeping roles.

Five top languages comprise 45.8% of the total population by non-official mother tongue residents (allophones): Chinese, Arabic, Italian, Spanish and German.

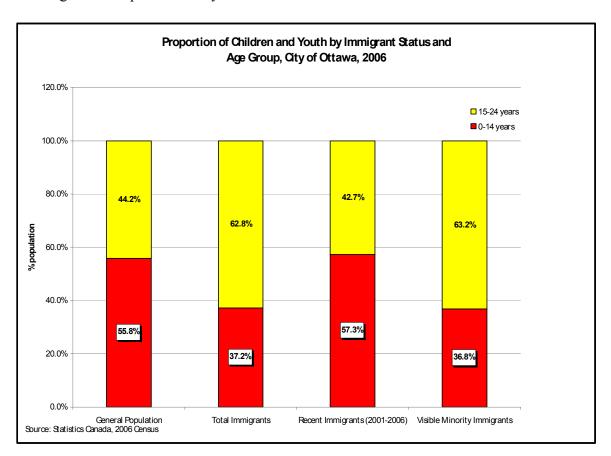


#### **Makeup of the Immigrant Population**

#### **Children and Youth**

Immigrant children and youth, particularly recent immigrants, are a significant and growing portion of Ottawa's total population of children and youth. In 2006, there were 255,845 children and youth aged 0-24 in the City. Of those, 28,515 (11.1%) were born outside Canada.

The increasing cultural diversity of children and youth in the City is an important factor for family policy makers, service providers and funders working with this population. It points to the need for inclusive early childhood education and care services and inclusive public education, to ensure the best opportunities for these young people. As well, the characteristics of immigrant families translate to a higher number of dependents per family, which can be a challenge with respect to family incomes.



# Early School Leavers<sup>7</sup>

The majority of young adult early school leavers were Canadian-born (86% or 7,220) and 14% (1,180) were immigrants. Recent immigrants who arrived during the period 2001-2006 accounted for 4% (340) of all early school leavers. Among the Canadian-born young adult early

<sup>&</sup>lt;sup>7</sup> Social Planning council, Challenging Transitions: A Profile of Early School Leavers Aged 15-24 in Ottawa, 2008.

school leavers, 17% (1,465) were the children of immigrants (i.e. second generation). It is critical that the reason for the slightly disproportionate representation among early school leavers of Blacks and Arabs (whether immigrant or Canadian born) be identified and remedied.

The age at which immigrants arrive in Canada can have a profound effect on their naturalization and social integration. This points to the importance of ensuring effective supports around children who immigrate in their middle years.

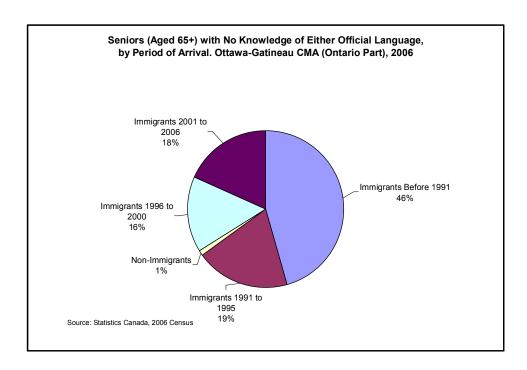
#### **Senior Population**

Ottawa's senior population is rapidly becoming more diverse. In 2006, the City's general population aged 65 years and over was 100,870 (12.4%). It increased 26% during the period 1996-2006 and is expected to double in the next twenty years. In 2006, 30.9% (31,195) of the City's general senior population were immigrants. The percentage of seniors among recent immigrants who arrived during the period 2001-2006 was 3.4%. 17.5% of all immigrants were seniors, compared to 12.4% in the general population.

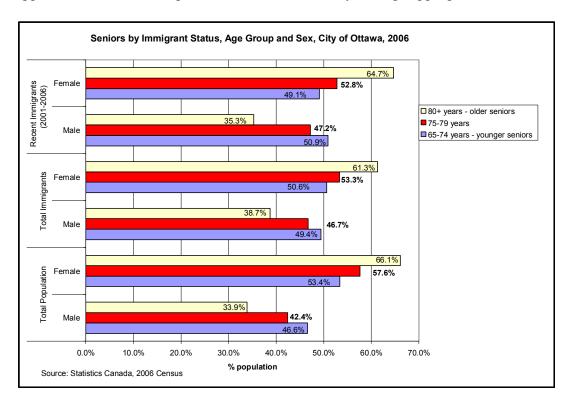
The diversity of the City's senior population is also highlighted by the proportion of immigrant seniors who are visible minorities. In 2006, out of 31,195 immigrant seniors, 32.5% were visible minorities. The four most numerous visible minority groups in the senior population were Chinese, South Asian, Black and Arab.

The City's senior population is not only culturally diverse, but has specific needs related to their age and knowledge of an official language. Lack of knowledge of an official language affects both recent immigrants and those who arrived many years ago, preventing their access to programs and services that are mainly available in the official languages. Of seniors with no knowledge of either official language, almost half arrived in the period before 1991. As well, in 2006, 40% (4,130)<sup>8</sup> of recent immigrant seniors who arrived during the period 2001-2006 spoke neither English nor French.

<sup>&</sup>lt;sup>8</sup> Data for Ottawa-Gatineau (Ontario Part)



In addition to their diversity, younger seniors (65-74 years) and older seniors (80+ years) have very distinct needs based on their age and sex. As with the trend in the general population, female immigrant seniors predominate in the population 65 years and over, particularly among older seniors. As a result of their longevity, female seniors are also the majority of seniors living alone. The specific needs and services required by younger and older seniors call for different approaches from service providers that are culturally and age appropriate.



#### **Seniors Living Arrangements**

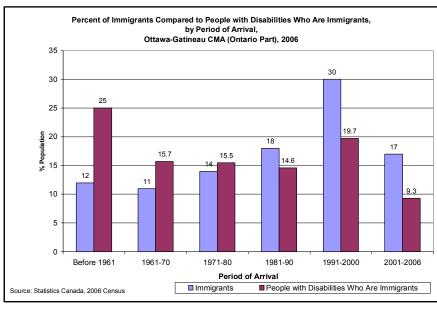
The majority of total immigrant seniors (70.0%) and recent immigrant seniors (64.3%) lived with their families in 2006. As well, 21.3% of total immigrant seniors and 4.8% of recent immigrant seniors lived alone. In 2006, 29.1% of total immigrant seniors, as well as 7.4% of recent immigrant seniors, lived with relatives.

There is a concern that lack of services and programs that integrate seniors' cultural and linguistic diversity has left family caregivers without adequate supports and increases the likelihood of isolation for allophone seniors and immigrant seniors living alone. Most seniors programs are mainly provided in English or French and have yet to embrace the cultural diversity of the senior population. In addition, seniors under the 10-year family sponsorship agreement face very significant barriers in accessing additional financial supports and resources, even if the family faces significant financial challenges.

#### **People with Disabilities**

In 2006, 25% of people with disabilities were immigrants, affecting primarily people who immigrated before 1981 and have developed disabilities as they age. This is slightly higher than the percentage of immigrants in the general population (at 22%). Only 2.3% were recent immigrants (those who arrived during the period 2001-2006).

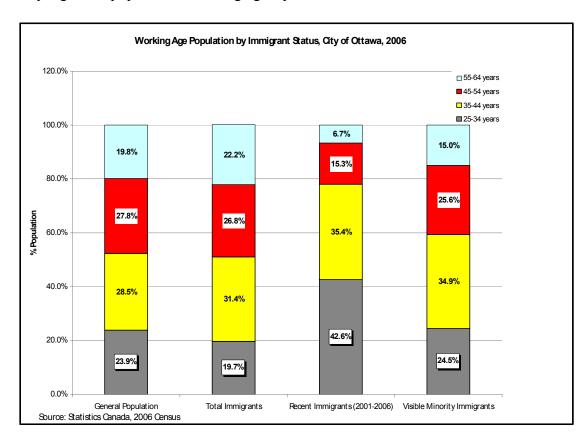
There is a significant difference in the periods of arrival for people with disabilities who are immigrants compared to the general population who is immigrant, reflecting the aging of the population of immigrants.



<sup>&</sup>lt;sup>9</sup> Family (also called "census family") is a married couple (with or without children of either or both spouses), a couple living in common-law (with or without children of either or both partners), or a lone parent of any marital status with at least one child living in the same dwelling. A couple living common-law may be of opposite or same sex.

#### **Working Age Population**

Ottawa can expect to see a long-term decline in its labour force population, which will strain its economic growth. Recent immigrants have strategic importance as a labour force replacement of the City's aging working force. Their importance is highlighted by the fact that almost half of the City's general working population is concentrated on the older working age group 45-64. By contrast, recent immigrants who arrived in the period 2001-2006, have a high proportion of people in the youngest population in the labour market. In 2006, out of 17,240 recent immigrants aged 25-64, 42.6% were in the entry working age 25-34. The percentage of the City's general population in this age group was 23.9%.



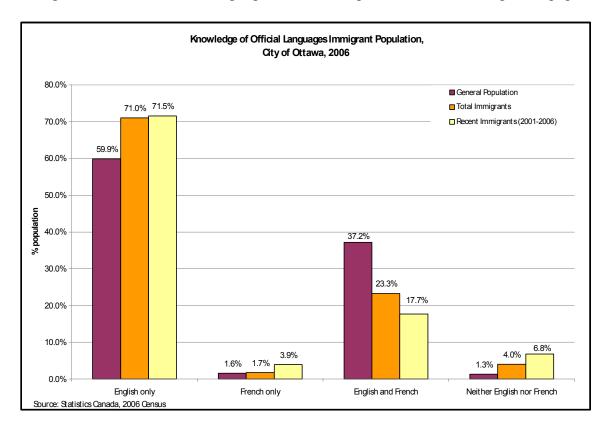
#### **Unpaid Work**

There are more hours of unpaid childcare provided by the immigrant population, compared to the general population. This may relate to the incidence that recent immigrant families tend to have more children and youth. Other influencing factors are the lack of access to affordable and culturally sensitive childcare. Among immigrants, from 30 to 60 working hours, more than 70% of unpaid childcare fell on women. As well, immigrant women provided the majority of unpaid senior care, regardless of the number of hours.

## Labour Market Integration and Assets of the Immigrant Labour Force

#### **Knowledge of Official Languages**

An overwhelming majority of immigrants and recent immigrants who arrived in 2001-2006 meet the language requirements to work in the Canadian labour market. In 2006, out of 178,545 immigrants, 90% had official language abilities, compared to 98.7% in the general population.



Research indicates that despite their present language skills, many immigrants cannot work in their field of study in Canada and thus their talents are wasted. Among the factors that contribute to this situation are: employers' lack of formal education to back-up trade skills, requirements to possess Canadian experience, lack of foreign professional accreditation and an expensive and difficult certification process at the Canadian Professional Colleges.

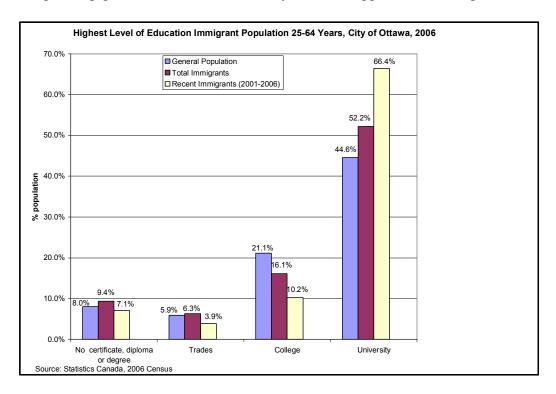
Out of the general population in the City who did not have knowledge of either English or French (10,305), 29% were under age 15, 1% were aged 15 to 24, 30% were working age and 40% were seniors.

### **Highly Educated Workforce**

Ottawa receives the highest percentage of immigrants with a university degree among Canada's largest cities. In 2006, 52.2% of immigrants of working age (62,065), and 66.4% of recent immigrants (11,455) in this age range had university education, compared to 44.6% of the

general population. Moreover, 10.9% had education in mathematics, computers and information sciences, and 23.8% had education in architecture, engineering and related technologies.

On the other hand, 9.4% of immigrants aged 25 - 64 had no certificate, diploma or degree. The same was true for 7.1% (1,230) of recent immigrants aged 25 - 64 who arrived during the period 2001-2006, as well as for 8.0% (36,060) of the general population. An important group to address are early school leavers aged 15-24 who did not complete high school. Initiatives to bridge this gap will benefit from culturally-sensitive approaches and a gender focus.



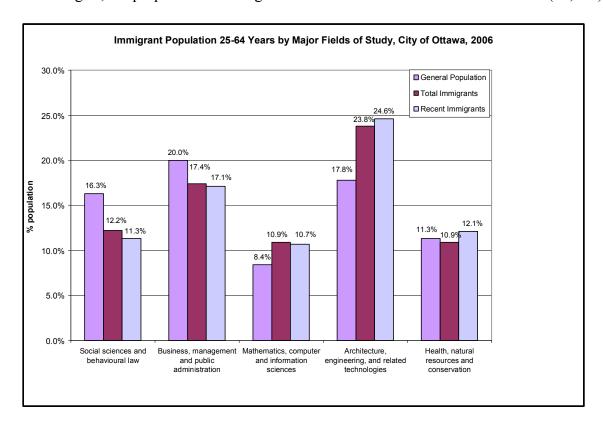
#### **Location of Postsecondary Education**

A significant percentage of Ottawa residents obtained their degrees outside Canada. This was the case for 23.8% residents with a bachelor's degree, 30.2% with degrees in medicine, dentistry, veterinary medicine or optometry and 45% of those who possessed doctoral degrees. These findings in the general population reflect the high percentages of immigrants with foreign certification (46.2% in 2006). Among them, recent immigrants who arrived during the period 2001-2006 had the highest percentage of foreign post-secondary education at 83.4%. Conversely, 54% of immigrants with post secondary education received these degrees in Canada.

#### Major Fields of Study of University Education

A higher percentage of immigrants possessed a post-secondary education in science-based fields of study, compared to the general population. In 2006, out of 88,580 immigrants aged 25-64, 10.9% (9,695) had education in mathematics, computers and information sciences, reflecting the

importance of the hi-tech industry in Ottawa. In the case of architecture, engineering and related technologies, the proportion of immigrants with education in this field was 23.8% (21,110).



#### **Indicators of Labour Market Integration**

#### Participation Rate

In general, immigrant participation rates were below the ones for the general population. The participation rate of immigrants 15 years and over in 2006 was 64.2% compared to 69.3% in the general population. Recent immigrants had a participation rate of 65%, slightly higher than total immigrants (64.3%) but still below the general population (69.3%). Immigrants aged 15-24 had a lower participation rate (60%) than the same age group in the general population (67.6%), with recent immigrant youth even lower (54%).

Immigrants 15 years and over with children at home had higher participation rates in the labour market. In 2006, 74.5% of immigrants with children at home were in the labour market, with a higher participation rate for men (83.2%). The participation rate was lower for immigrant women with children (67.1%) reflecting that they are the main child caregiver. Recent female immigrants with children at home had the lowest participation rate (55.0%) reflecting the settlement process challenges and lack of access to services to support their entry to the labour market, e.g. affordable and culturally-sensitive childcare, and family choices to have a stay at home parent.

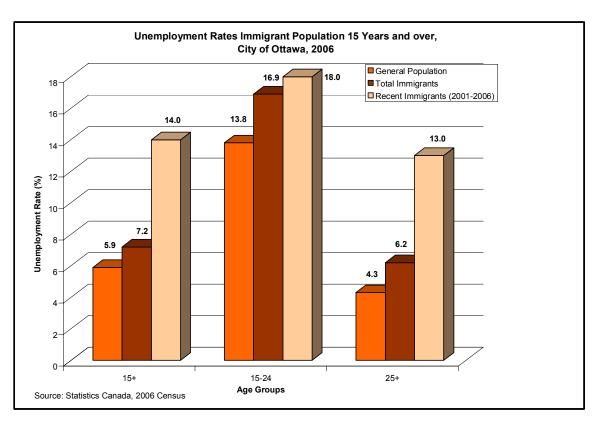
#### **Unemployment Rates**

Despite high levels of education attainment of the immigrant population, labour and income indicators demonstrate that immigrants, particularly recent immigrants, are disproportionately affected by unemployment. For those aged 15 and over, immigrants had an unemployment rate higher than the general population (7.2% compared to 5.9%). Among the contributing factors are: highly specific jobs requirements that cannot be matched by foreign professionals' work experience/skills, higher levels of occupation-specific language skills required and the lack of training to bridge this gap. An additional key unemployment/underemployment factor is the lack of recognition of foreign educational credentials. Other negative contributing factors to this reality are the lack of services that support families to participate in the labour market, such as the lack of affordable and culturally-sensitive childcare and senior care for caregiver families.

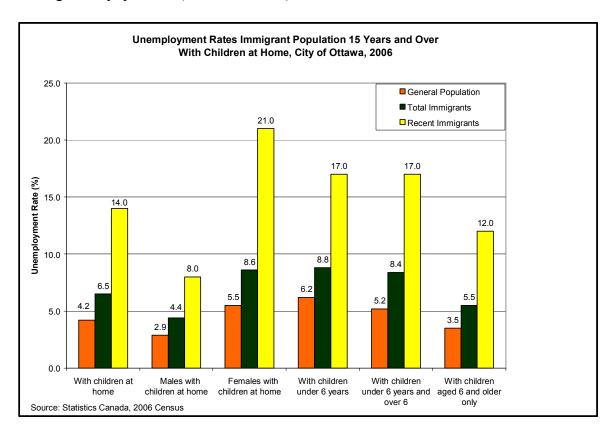
The groups most affected by unemployment are immigrant youth, recent immigrants, women and university-educated immigrants.

In 2006, the unemployment rate for immigrants aged 15 - 24 was 16.9% compared to 13.8% for the general population aged 15 - 24.

The unemployment rate of recent immigrants 15 years and over was three times that of the general population (14% vs. 5.9%).



Unemployment rates for immigrants, particularly recent immigrants with children at home, are significantly higher in comparison with the general population rates. In 2006, recent female immigrants in this category had an unemployment rate four times higher than their counterparts in the general population (21.2% vs. 5.5%).



Individuals who obtained their post-secondary certificate, diploma or degree outside of Canada experienced a higher unemployment rate than the general population (6.5% compared to 4.5%). The chart below presents the unemployment rates of the City's population by immigration status and age group.

#### Labour Force by Industry Sector

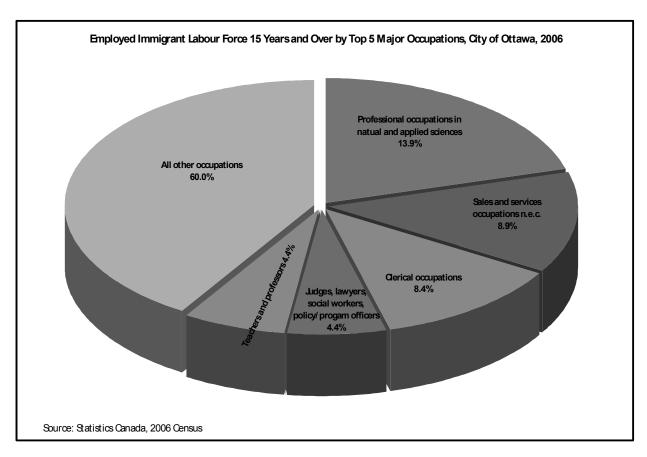
Five major sectors comprised the industry sectors in which Ottawa's immigrant labour force worked. In 2006, 14.8% of immigrants worked in the public sector. The second most significant employment sector was professional, scientific and technical services, which includes much of the high-tech sector. The percentage of total immigrants in this sector was 13.5%, which was above the general population at 11.2%. 11% worked in health care and social assistance. 10% worked in the retail trade. Immigrants (at 8.2%) and recent immigrants (at 13.3%) were overrepresented in the accommodation and food services sector compared to the general population (at 6.2%). Some of the more typical jobs held by immigrants in these sectors include retail sales, clerks, security guards, and cleaners, all of which tend to lead to precarious employment, (e.g. low wages, long-working hours and minimal job security). <sup>10</sup>

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<sup>10</sup> FCM, 2008, pg.22

#### Labour Force by Occupations

This section looks at occupations, that is, what type of work do the individuals do in the sector in which they work. Five occupations comprised the majority (79.4%) of the employed immigrants. These were: sales and services occupations (23.8%), natural and applied sciences and related occupations (18.0%), business, finance and administration occupations (16.1%), social science and education occupations (11.2%) and management occupations (10.3%). The census further divides the main occupation groups into sub-categories. The top sub-divided occupations are shown in the chart below. The participation of both total immigrants (18.0%) and recent immigrants (17.6%) in natural and applied sciences occupations was above the percentage in the general population.



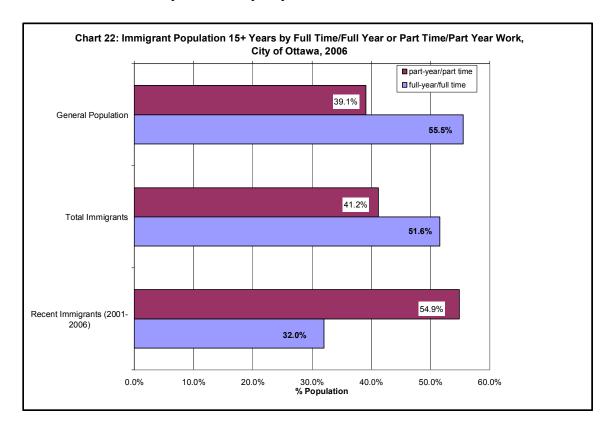
However, research findings point out that this is also a sub-product of foreign professionals who cannot work in their professions, because their credentials and professional experience are not recognized. This report does not address the issue of under-employment of immigrants, as we do not have access to relevant data.

#### **Class of Workers**

In 2006, wage earners represented 86.5% of all class of immigrant workers and self-employed workers were 13.4%. A slightly higher percentage of immigrants were self-employed compared to the general population (13.4% vs. 10.3%).

#### Full Time / Full Year and Part Time / Part Year Employment

The total immigrant population was only four points below the percentage of the total population employed full-year/full-time (51.6% vs. 55.6%). 32% of recent immigrants in the labour force worked full-year/full-time. However, immigrants, particularly recent immigrants, are over-represented in part-year/part-time paid work. Recent female immigrants are the most affected. 64.2% of them worked part-time or part-year in 2006.



#### **Employment Income**

The median employment income of immigrants (\$28,779) is substantially below the median employment income of the general population (\$34,343). In 2005, immigrants earned the equivalent of \$0.83 for every \$1 earned by an employed person in the general population.

Recent immigrants fare even worse. Recent immigrants earned less than half (\$0.43) for each \$1 of the general population's median employment income (\$14,921).

Visible minority immigrants are in a better situation, but their median employment income is still notably lower. In 2005, they earned \$0.70 for every 1\$ of the general population's median employment income. Moreover, during the period 2000-2005, visible minority immigrants<sup>11</sup> experienced an overall loss of employment income. The groups that experienced the greatest loss of income were the Korean, West Asian, South Asian and Filipino communities.

#### Full time / Full year

In 2005, the median employment income of total immigrants working full-time/full-year was \$47,972, compared to the \$52,635 median employment income exhibited by the general population, a negative difference of 8.9%. Recent immigrant employment incomes were even lower at \$34,254, a negative difference of 34.9%.

#### Part time / Part year

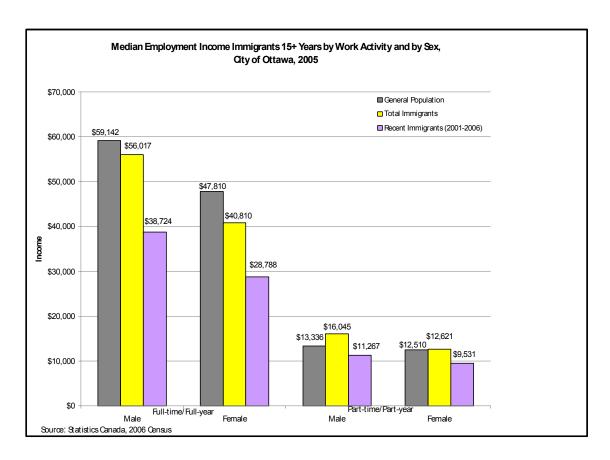
The median employment income for total immigrants working part time / part year was \$14,028, which was 9% above that for the general population (at \$12,873).

The median employment incomes for part-time/part-year work of recent immigrants (\$10,170) and visible minority immigrants (\$11,470) were 21.0% and 10.9% beneath that of the general population.

Median Employment Income Immigrant Population					
15 Years and Over, City of Ottawa, 2006					
	Full-time/ Full-year	Part-time/ Part-year			
	Income	Income			
General Population	\$52,635	\$12,873			
Total Immigrants	\$47,972	\$14,028			
Recent Immigrants(2001-2006)	\$34,254	\$10,170			
Visible Minority Immigrants (*)	\$41,066	\$11,470			
(*) Data for Ottawa-Gatineau (Ontario Part)					
source: Statistics Canada, 2006 Census					

Median employment incomes for immigrant women were largely below that of men for each immigrant population group, which confirms income gender gap trend in the City.

<sup>&</sup>lt;sup>11</sup> Non-Caucasian in race or non-white in colour, other than Aboriginal. They include, Chinese, South Asian, Black, Filipino, Latin American, Southeast Asian, Arab, West Asian, Korean and Japanese.



#### **Incomes, Poverty and Housing Affordability**

Census data presents a worrisome scenario of income inequalities affecting the economic inclusion of immigrants and thus the economic development of the City. The most affected are recent immigrants and visible minority immigrants

#### **Sources of Income**

In 2005,<sup>12</sup> employment income, particularly wages were the main source of income for immigrants (74.0%). Self-employment income was 6.3%, which was also above the general population's percentage at 5.9%.

## **Incomes of Individuals**

The median income <sup>13</sup> before tax of immigrants exhibits severe inequalities. In 2005, the median income of immigrants 15 years and over was 21.3% below the median income of the general

<sup>&</sup>lt;sup>12</sup> Data for Ottawa-Gatineau (Ontario Part)

Median income of individuals or families is that amount which divides their income size distribution into two halves. That is, the incomes of the first half of the families and non-family persons are below the median, while those of the second half are above the median.

population of Ottawa (\$25,994 compared to \$33,023). The difference for visible minority immigrants was 39.2% (\$20,076 compared to \$33,023). For recent immigrants who arrived in the 2001-2006 period the difference increased to 59.1% (\$13,517 compared to \$33,023).

For immigrants with university degrees, the median income was \$49,714, 20.5% lower than for Canadian-born (\$62,566) with comparable levels of education. In the case of recent immigrants who arrived during the period 2001-2006, the ratio decreased 57.4% (\$26,740). 14

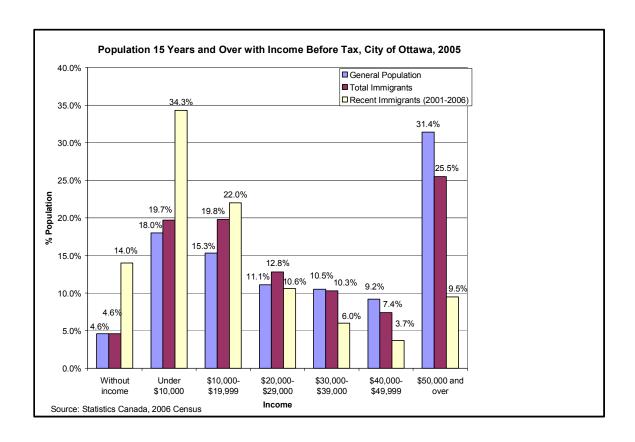
In addition, income data disaggregated by visible minority groups shows a decrease of individual median income affecting most of the groups during the period 2000-2005. Median income differences by sex were profoundly deeper for female immigrant workers.

#### **Income Stratification of Individuals**

There is an individual income polarization that shows a high concentration of immigrant population in low income groups, which is even higher among recent immigrants. In 2005, 39.5% of total immigrants and 56.3% of recent immigrants had incomes below \$20,000, compared to 33.3% in the general population. As well, the West Asian, Arab, Korean and Latin American visible minority groups had median incomes below \$20,000 in 2005. Moreover, 4.6% of total immigrants had no income, which was the same as the general population. As well as 14% of recent immigrants had no income, almost three times the rate in the general population. This outcome calls for initiatives that address employment barriers identified by research and noted in this report. This is an issue that affects the City's entire population.

On the other extreme, we find the population with incomes \$50,000 and over. One quarter (25.5%) of total immigrants are in this income group in comparison with one third (31.4%) of the total population.

<sup>&</sup>lt;sup>14</sup> Community Foundation of Canada. Ottawa's Vital Signs 2008: The City's Annual Checkup, pg. 17



#### **Seniors Income**

In 2005, immigrant seniors' median income was \$24,072, 19.8% below that for seniors in the general population. The median income for total immigrant seniors increased by 6.8%.

Visible minority immigrant seniors 65 years and over are at a higher disadvantage within the immigrant population in terms of median income. In 2005, the median income of visible minority immigrant seniors (\$15,363) was roughly half of the median income of seniors in the general population (\$30,033)<sup>15</sup>. During the period 2000-2005, the median income of visible minority immigrant seniors decreased by 7.3%.

#### **Incomes of Households and Families**

There was a reduction of the median income of immigrant families. During the period 2000-2005 the median income of immigrant families fell from \$73,391 to \$72,360 and was below the median income of general population families (\$86,692).

The analysis by period of arrival shows that immigrant families' median income fell more than half from the median income of immigrants who arrived during the period 1971-1980 and it was 37.5% lower than the median income of immigrant families who arrived during the period 1996-2000.

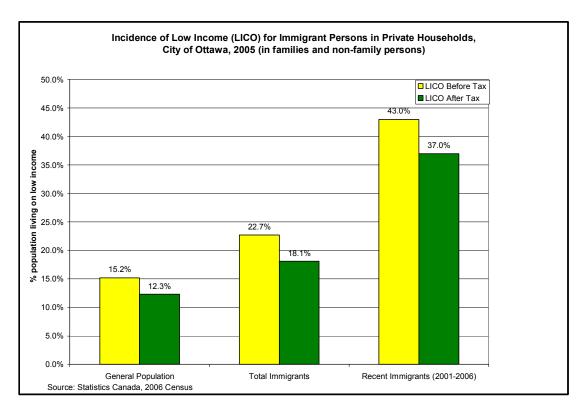
<sup>&</sup>lt;sup>15</sup> The Council of Aging of Ottawa, *Housing Seniors: Choices, Challenges and Solutions*. August, 2008. p.g11

Immigrant couple families exhibited the highest median income of all family types, even though they experienced a small reduction during the period 2000-2005 (\$81,953-\$81,077). There was also a modest increase of the median income of lone-parent families. However, the 2005 lone-parent family incomes were significantly lower than that of couple families. The differences were -25.6% and -53.6% for male and female lone-parent families, respectively. The most affected with lower incomes were families headed by women, whose income in 2005 was \$37,656 in comparison with \$60,342 for male single parents.

#### Low Income

In 2005, the incidence of low income (LICO) after tax for recent immigrants was 37.0%, in relation to 18.1% for total immigrants and 12.3% for the general population of the City. The proportion of total immigrant children under six living with low income after tax was very close to the proportion of recent immigrant children affected by low income (43.7% vs. 44.0%), compared to 16.8% in the general population. As well, 39.8% of immigrant youth aged 15-24 lived below income in 2005 compared to 23.7% in the general population.

6.9% of seniors in the general population lived on low income (below LICO after tax) compared to 8.9% of immigrant seniors. The incidence of low income for recent immigrant seniors 65 years and over (25.0%) was three times the percentage for total immigrant seniors (8.9%). Moreover data of low income disaggregated by age groups asserts the severe impact on older immigrant seniors (75 years and over) with an incidence of low income of 16.3% before tax.



#### Housing Affordability

In 2006, near one half of all recent immigrant homeowners were spending 30%+ of their income on shelter. This was in harsh contrast with 15% of homeowners in Ottawa's general population. While close to 42% of renter households in the general population in Ottawa were spending more than 30%+ of their income on shelter, this proportion increased to 50% among recent immigrant households and approximately 43% for long-term immigrant households.<sup>16</sup>

#### **Factors in the Economic Exclusion of Immigrants**

It is important to recognize from this portrait that the majority of immigrants enjoy a good standard of living in Ottawa. Some have done very well in business. Many others are working in good jobs, related to their higher than average levels of education.

Despite this economic success and educational attainment, there is a very significant level of economic exclusion for immigrants, as highlighted by:

- lower average incomes (the median income of immigrants has declined in the last decade); there is a major impact on children and youth, on older seniors and on visible minority groups;
- lower employment incomes (in 2006, the median for the general population 15 years and older was \$34,343, compared to \$28,779 for all immigrants and only \$14,921 for recent immigrants) Some visible minority groups face a profound deterioration of employment incomes;
- higher rates of poverty (the percentage of immigrants living below low-income levels has increased); and
- higher rates of unemployment (in 2006, the unemployment rate of recent immigrants 15 years and over, for example, was nearly three times higher than that of the general population: 14% vs. 5.9%).

While the outcomes vary across and within different immigrant groups, the extensive economic exclusion and higher incidence of poverty have a huge impact on the health of individuals, families and communities. Overall, the immigrant group facing significant economic exclusion is recent immigrants. This finding confirms other research that has found that the earlier pattern of immigrant incomes (and ability to own their own home) equalling or even surpassing those of the general population after 20 or 30 years no longer exists.

Immigrant women are at a relative disadvantage in the labour market. Despite higher levels of education, they are over-represented in traditional female occupations, precarious part-time jobs and in the lowest median employment income ranges. Labour market integration of mothers in couple families and of female lone-parents is affected by lack of access to affordable and culturally sensitive day care. Visible minority women are even more vulnerable.

Immigrant seniors are more likely to experience economic and social exclusion. They have lower median incomes than seniors in the general population. Some family-sponsored seniors are

<sup>&</sup>lt;sup>16</sup> Federation of Canadian Municipalities (FMC), *Quality of Life in Canadian Communities: Immigration & Diversity on Canadian Cities & Communities.* Theme Report #5, 2009, pgs. 29, 30, 42 & 43

economically dependent on their children under the provisions of the 10-year sponsorship agreement and allophone seniors have difficulty accessing mainstream services.

There are several factors that lead to economic exclusion for immigrants. This report, building on previous work by the Social Planning Council<sup>17</sup>, clarifies that economic exclusion for immigrants on the one hand, and visible minority citizens on the other, is multi-faceted.

The report points to five primary factors affecting the economic status of immigrants and visible minorities (both immigrant and Canadian-born), as follows:

- Labour market barriers experienced by first-generation immigrants (e.g. lack of recognition of foreign credentials and experience, language barriers)
- Labour market barriers experienced by ethnic minority residents either Canadian born or immigrants (access to networks and social capital, cultural context in hiring and promotion, racism and anti-Arab sentiment, particularly since 9/11, and a shortage of culturally appropriate child care).
- The nature of Ottawa's economy and labour market (e.g. predominance of the federal government as employer with various systemic barriers to employment, growing number of precarious jobs, increasing educational requirements for administrative, professional and managerial positions, downturn in high tech sector, etc).
- The demographic and family structures of immigrant communities, esp. recent (including visible minority) immigrants large number of dependents, families with only one income, lone parent families headed by women, etc. coupled with lack of access to affordable day care (e.g. in 2007, there were only 7,481 subsidized, licensed child care spaces and 3,614 children on the waiting list) and housing.
- Racialization of economic exclusion in Ottawa, particularly poverty, resulting in polarization of economic benefits along colour lines. The factors which result in the racialization of poverty are the same as those which affect immigrants.

From the above highlights, it is clear that family and labour policies and programs to address the challenges that immigrant families face are crucial for their social and economic inclusion and the City's economic prosperity.

<sup>&</sup>lt;sup>17</sup> See the series of publications in the "Communities Within" project at <a href="www.spcottawa.on.ca">www.spcottawa.on.ca</a>, particularly the report Mixed Blessings and Missed Opportunities The Intercase Study on Inclusion and Exclusion of Ottawa's Visible and Ethnic Minority Residents, 2008

#### Recommendations

#### Support to Families:

The best way to meet the needs of children and to support parents is through investment in family policy including increases to the incomes of low income families, extended maternity/parental leave, a comprehensive system of early learning and childcare, seniors services and parental support services.

#### Access to Services:

There is a need for a collaborative service delivery model that meets the needs of diverse populations (including refugees, francophone immigrants, immigrant seniors, families and youth) through culturally and linguistically appropriate services, no matter where they live in Ottawa. Key elements of this model would include better information for immigrants on existing services, assistance to mainstream voluntary sector, educational and health services to integrate diversity in their services, and improved support for small ethno-cultural groups providing services.

#### Official Languages Training:

Adult immigrants should receive ESL or FSL courses with appropriate methodologies geared to their educational level and their life situation or professional background. These courses should be expanded to include soft skills as well as information on Canadian mainstream cultural practices and codes and on elements of Canadian society (banking, second-hand shopping, etc). Increase availability of free and/or affordable opportunities for an immigrant to learn a second official language (English or French). All language training should offer appropriate childcare services.

#### Increased Inclusion in the Education System:

Strategies to increase inclusion should provide better transitions for students arriving in the middle or teen years, ways to support youth to stay in school and flexible options to help facilitate the training and employment of early school leavers.

Also needed are strategies for more greater parental awareness and engagement. This involves school boards working with community representatives on systemic changes which would enhance inclusion (such as alternate forms of parental participation, reduction of school fees, etc.).

#### Labour Market Integration:

The labour market integration of immigrants requires a systemic, strategic, collaborative and multi-faceted approach.

It is essential to increase access to information on the labour market, job support programs, opportunities in the trades and other non-traditional employment choices for ethnic minority

communities. Even prior to immigration, Immigration Canada should provide information on employment requirements such as formal education and professional credentials.

There needs to be a collaborative effort around initiatives to bridge the transferable skills of immigrants to meet employers' needs, such as sector-specific language training and skills training programs.

Skills development and vocational training (geared to labour market demands) should be made available to immigrants who are among the "working poor", with an emphasis on those with less than a high school education.

Addressing particular barriers such as recognition of foreign credentials would certainly enhance economic inclusion. Of value would be: increased access in Ottawa to locations where credentials are evaluated; and options to facilitate recognition of credentials - including paid internships, work understudy programs, trial periods and incentives for employers to hire new immigrants.

Implement improved strategies for hiring immigrants and visible minorities at all levels of government.

Develop a safety net and government support for the working poor, including improved income and taxation supports, and improved access to skills development.

Also recommended is expansion of the infrastructure of learning opportunities outside formal educational settings – such as paid job placements and apprenticeships - in order to facilitate the inclusion of knowledge workers without a certificate or diploma (e.g. skills trade).

Strengthen employment services through increased funding, especially for those using best practices in employment supports. Support more employment "bridging" programs, which transition international professionals into comparable employment in Canada.

#### Community Economic Development:

There is a need for a comprehensive community economic development (CED) strategy to address the challenges and opportunities of the immigrant experience of Ottawa's labour market. A CED approach is an effective local response to poverty and economic exclusion. Such a CED approach would have several elements:

- Address the barriers which are negatively impacting the labour market integration of immigrants (such as inadequate recognition of foreign acquired credentials, improve access to culturally appropriate childcare, etc.)
- Create initiatives to take better advantage of the assets which immigrants provide (for the benefit of immigrants) such as business development which builds on the high levels of education related to science and technology, ties to other countries, and multiple language capabilities.
- There is a need for a community-based economic strategy to support the development and sustainability of economic enterprises and help community members create jobs for

themselves and others. New entrepreneurs should be supported through skills training, mentoring programs and networking opportunities with one another and with other (mainstream) community businesses. The formation and sustainability of ethnic business associations (e.g. Social Planning Council of Ottawa's ethnic business minority initiative) should also be encouraged.

• A community economic development strategy could be part of the City of Ottawa's new economic plan and have resources allocated to implement it.

#### Sustainable Income:

Poverty reduction and poverty mitigation initiatives which are currently being implemented need to integrate the needs of immigrants, who face disproportionate rates of poverty. Immigrant families are more affected by the incidence of low income, as they have more dependent children and also are caring for their vulnerable seniors. Targets should include low-income children and youth as well as older seniors, and visible minorities who have the lowest levels of median income among the working poor. Further research is needed to clarify why immigrant seniors are not benefitting equally for other seniors poverty reduction strategies. Policy initiatives which are relevant to improving income security for immigrants include:

- The Province's Poverty Reduction Strategy
- The « Put Food in the Budget » initiative
- Discussions with respect to a « living wage »
- The City of Ottawa's Poverty Reduction Strategy

Improve access of immigrants to affordable and adequate housing as an important element in addressing poverty.

#### Enhance services available for refugees

These enhancements could include increased support for existing services as well as new or expanded services including mental health supports, settlement services, special supports for children and youth, customized language training and opportunities for volunteer engagement and for accompaniment supports.

#### Immigrant Community Infrastructure

The importance of small and/or informal ethno-cultural groups in responding to diverse needs should be acknowledged. They need assistance in capacity building through increased access to funding and other resources.