

A brief overview of demographic and economic profiles of immigrant taxfilers to Atlantic Canada

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With the introduction of the Atlantic Growth Strategy in 2017, and a special pilot stream of immigration stemming from it, it is important to examine the demographic trends and economic outcomes of immigrants to the region. To this end, this brief report examines these issues, using the Longitudinal Immigration Database that captures immigrant taxfilers, across the four Atlantic provinces: Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick. The full report, and additional analysis, is available at:

<http://perceptionsofchange.ca/atlanticcanadianimmigrationtrends.html>

Demographic profiles of immigrant taxfilers

- Principal applicants of the economic stream tend to be predominantly men, while immigrant taxfilers who come as spouses or partners are more likely to be women.
- Gendered trends are more accentuated among Atlantic Canadian provinces for the economic pathway, with more men landing as economic stream principal applicants and more women coming as economic spouses and partners than the national average.
- There is more gender balance in Atlantic Canada for family sponsored spouses and partners than the national average.
- Almost all economic principal applicants landing in Canada and the Atlantic provinces are of prime working age, between 20 and 54 years old. The same is true of their spouses and partners.
- A slightly smaller percentage of Family stream Spouses and Partners were of prime working age.
- Prince Edward Island generally had a smaller percentage of immigrants across landing categories in prime working age.
- Compared to the national average, Atlantic Canadian provinces, especially Prince Edward Island and to a lesser extent New Brunswick, attract a smaller percentage of immigrants with university level education, though a higher percentage of family sponsored spouses and partners have a university degree.

Employment and earnings of immigrant taxfilers

- Recent immigrants who come as *economic principal applicants*, those landing between 2010 and 2012, have a higher rate of employment in Atlantic Canada one year after landing compared to the Canadian average. The national average was 73% compared to 90% in Newfoundland and Labrador, 76% in Nova Scotia, and 74% in New Brunswick. PEI is the only Atlantic province falling below the national average at 41%.
- Recent *family sponsored spouses and partners*, landing between 2010 and 2012, to Atlantic Canada also fare better than the national average with respect to employment after one year. The Canadian average is 66%, the rates in Newfoundland and Labrador and New Brunswick are both 73%, in Prince Edward Island the rate is 69% and in Nova Scotia the rate is 67%. The same is not true for *economic spouses and partners* coming with *economic principal applicants*. In their case those landing in Atlantic Canada had slightly lower rates of employment after the first year compared to the national average.
- There were less consistent employment outcomes for earlier cohorts of immigrants to Atlantic Canada.
- Recent immigrants who come as *economic principal applicants*, those landing between 2010 and 2012, have an earnings advantage in all but one Atlantic Canada province one year after landing

compared to the Canadian average. The national average was \$36,000, for Newfoundland and Labrador it was \$55,000, Nova Scotia's average was \$43,000, and New Brunswick's was \$42,000. The only Atlantic province to fall below the national average was PEI with an average of \$26,000.

- *Family sponsored spouses and partners* landing between 2010 and 2012 do well in the Atlantic provinces. The national average was \$22,000, for Newfoundland and Labrador it was \$34,000, Nova Scotia's average was \$26,000, and New Brunswick's was \$23,000. The only Atlantic province to fall below the national average was PEI with an average of \$21,000. The similar trends were observed for *economic sponsored spouses and partners* coming with *economic principal applicants* except PEI. This category of immigrants in PEI had earnings below the national average.
- There were less consistent earnings outcomes for earlier cohorts of immigrants to Atlantic Canada, however, earnings tended to generally increase over time and Newfoundland and Labrador tended to have the highest earnings and PEI the lowest.

Policy considerations

Overall, Atlantic Canada is different than the national average. Policy considerations should reflect the region's uniqueness, both in terms of attracting new immigrants and in terms of evaluating program outcomes.

Generally our results show that immigrant taxfilers to the region are more male than the national average showing a gender bias in attracting newcomers. With respect to *economic principal applicants* this means that more immigrants in this pathway are male and their spouses and partners are more female. In terms of *family sponsored spouses and partners* they are more male than the national average showing an almost gender parity. In terms of age, our results show that the region largely attracts immigrants of prime working age, though at a marginally lower rate than the national average. With respect to education we find that Atlantic Canadian provinces attract fewer immigrant taxfilers with a university level of education compared to the national average, save for sponsored spouses and partners. The region has some unique demographic patterns. At the same time, among the most recent cohort of immigrants the region out performs the national average in terms of employment and earnings, when comparisons are made within the same landing streams. Patterns are less clear with older cohorts, but do indicate that recent cohorts will continue to succeed in the region.

Based on these findings, we believe Atlantic Canadian provinces and Immigration, Refugees, and Citizenship Canada (IRCC) should pursue opportunities to create more gender balance in attracting immigrants to Atlantic Canada. This is especially the case for *economic principal applicants* and their spouses and partners which tend to be more male and female, respectively, compared to the national average.

We also believe that given the large number of universities in Atlantic Canada, more can be done to attract or transition immigrants with university degrees. We recognize this is an area where provinces have tweaked their nominee programs, but believe this is an area where more can be done.

It is important to keep in mind that immigration works differently across each of the Atlantic provinces and changes from one landing cohort to another. One consistent trend was Prince Edward Island is an

outlier across all trends. More analysis should be done to tailor immigration programs for that province –likely focusing on non-economic immigration pathways. It appears the province does not have the economic outcomes to support economic immigration and should consider other attraction and retention features.

Recent cohorts of *economic principal applicants*, who file taxes, in Atlantic Canada outperform the national average in terms of rates of employment and earnings. This should be promoted widely in attempt to attract immigrants to the region and to break out of stereotypes of the region as unwelcoming to immigrants compared to bigger and more traditional immigration centres.

Methodology:

In order to assess the demographic profiles of immigrant taxfilers to Atlantic Canada and to examine their economic outcomes, the Longitudinal Immigration Database (IMDB) 2012 was analyzed. It is a database that links the landing records of immigrants with their T1 tax files. The database contains information for all immigrants who landed from 1980 onward and who filed at least one tax return since 1982. Although newer versions of the database are available, we chose to use the 2012 database, covering immigrant taxfilers between 1982 and 2012. We did this to ensure the comparability to findings for Nova Scotia which are detailed in a [2015 report](#) we did for the province.

To create demographic profiles of immigrant taxfilers to Atlantic Canadian provinces we examine three factors. First we analyze the *sex ratio* of immigrants, which is, the ratio of the number of female immigrants over male immigrants. When a ratio equals 1, it means that there is gender balance. If the value is greater than 1, there are more women than men, and, if it is lower, there are more men than women. We also examine *age* by looking at the proportion of immigrants who are between the ages of 20 and 54 years. We examine this age bracket because it is considered to be the prime age for generating income and paying taxes. Although the [OECD](#) considers the “prime working age” to be between 25 years and 54 years, to exclude those still potentially studying, we look at the 20 to 54 age bracket because according to [Statistics Canada](#) almost a half of full-time postsecondary students also have jobs and many adults are in the labour force without such additional training. Not all individuals in this age group are full time students. Last, we look at *education*, and here we consider the percent of immigrants with a Bachelor’s degree or more education prior to arrival. For demographic measures, we examined three cohorts of immigrants landing during: 1990-1999, 2000-2009, and 2010-2012.

The analysis of economic outcomes concentrates on two measures: *employment*, based on whether or not people reported *earnings* on their T4 tax slips. For economic measures, we also look at three cohorts, but focus only on immigrants who landed between 2000 and 2012. This timeframe was divided into three periods: 2000-2004, 2005-2009, and 2010-2012 and we look at outcomes 1, 3 and 5 years after arrival, using corresponding taxfiling records. We use finer cohorts in this analysis to allow us to capture more subtle shifts in the economy.

In both the demographic and economic analysis of the report, we analyze three immigrant landing categories, including: *economic stream principal applicants*, *economic stream spouses and partners* and *family stream spouses and partners*. We also generated results for additional streams of immigrants, such as refugees and sponsored sons and daughters, however, because of small cell counts in Prince Edward Island (PEI) and Newfoundland and Labrador we do not have confidence in their

generalizability. Nevertheless, we do report these in an appendix found in the full report. We suggest readers to interpret those tables with much caution. In the appendix we also produced results for *employment insurance* and *family allowance*. Again, we did not report these in this brief because of the small number of cases and also urge caution in interpretation of these appendix tables.

Demographic characteristics of immigrant taxfilers to Atlantic Canada

Figure 1: Sex ratio by provinces and landing category

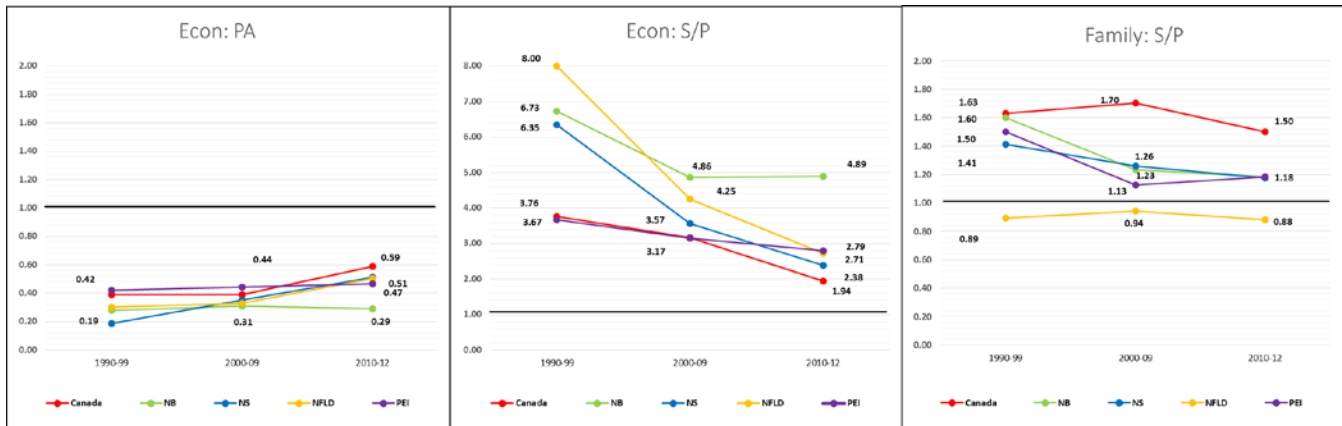


Figure 2: Proportion of immigrants aged between 20 and 54 years old by provinces and landing category

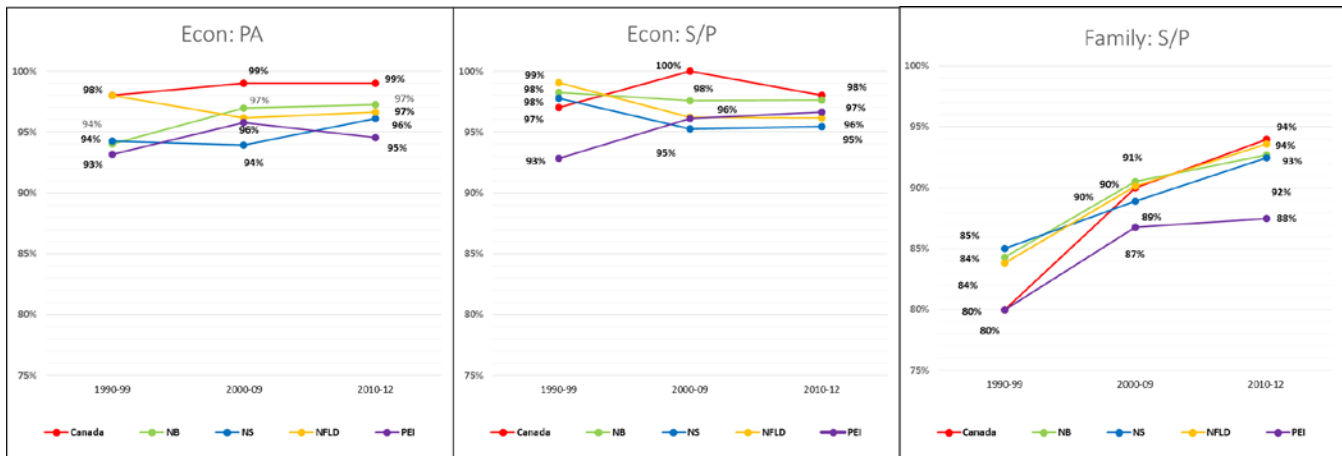
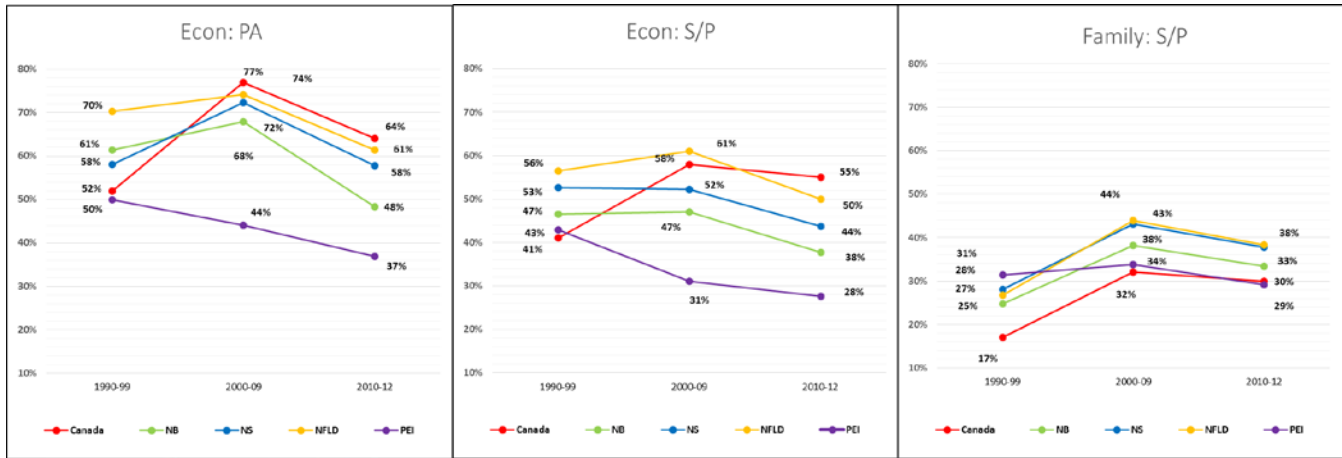


Figure 3: Proportion of immigrants with Bachelor's degree or above by provinces and landing category



Economic outcomes of immigrant taxfilers to Atlantic Canada

Figure 4: Percent working after 1 year by immigration category and provinces (2010-12 cohort)

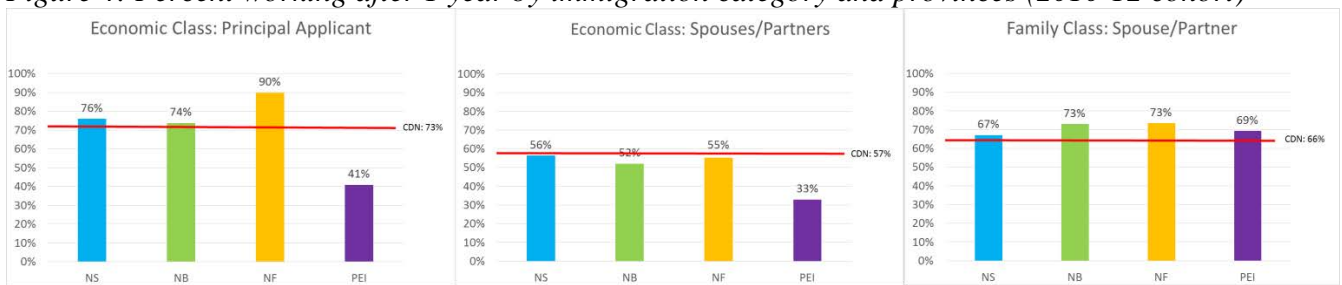


Figure 5: Percent working after 1, 3, and 5 years since landing for economic principal applicants

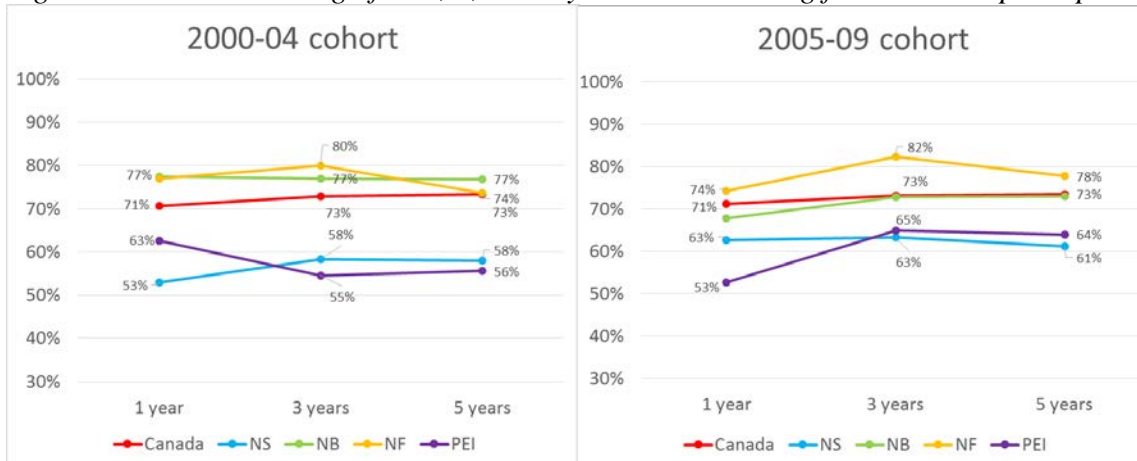


Figure 6: Percent working after 1, 3, and 5 years since landing for economic spouses/partners

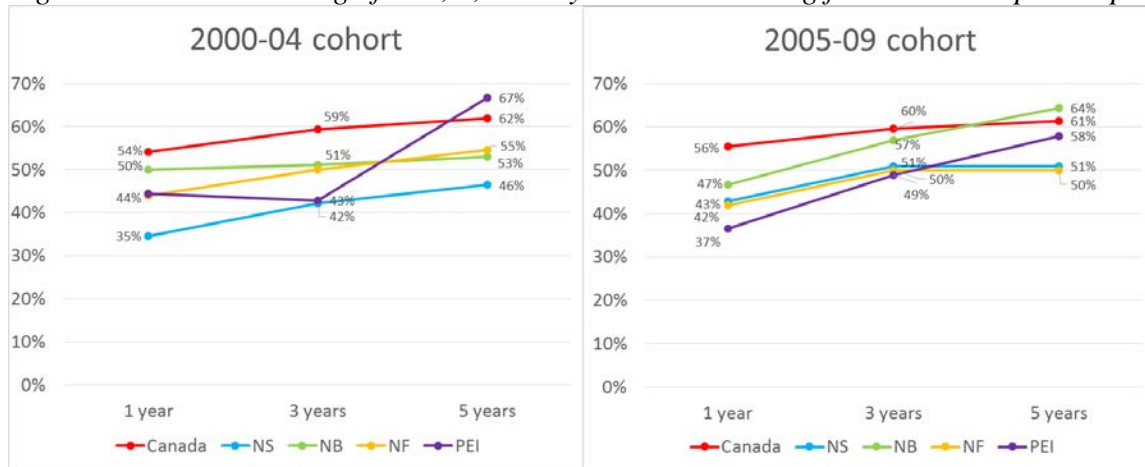


Figure 7: Percent working after 1, 3, and 5 years since landing for family sponsored spouses/partners

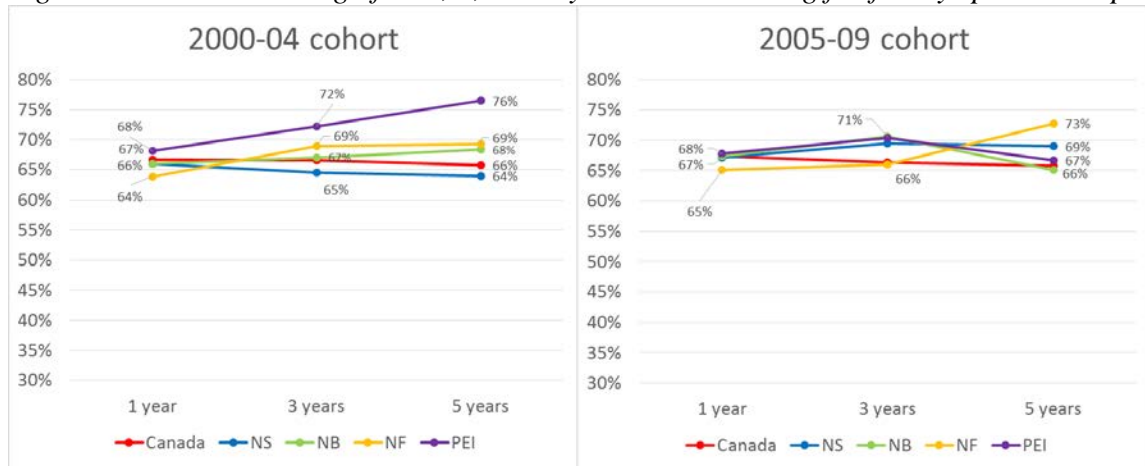


Figure 8: Average earnings after 1 year by immigration category and provinces (2010-12 cohort)



Figure 9: Average earnings after 1, 3, and 5 years since landing for economic principal applicants



Figure 10: Average earnings after 1, 3, and 5 years since landing for economic spouses and partners

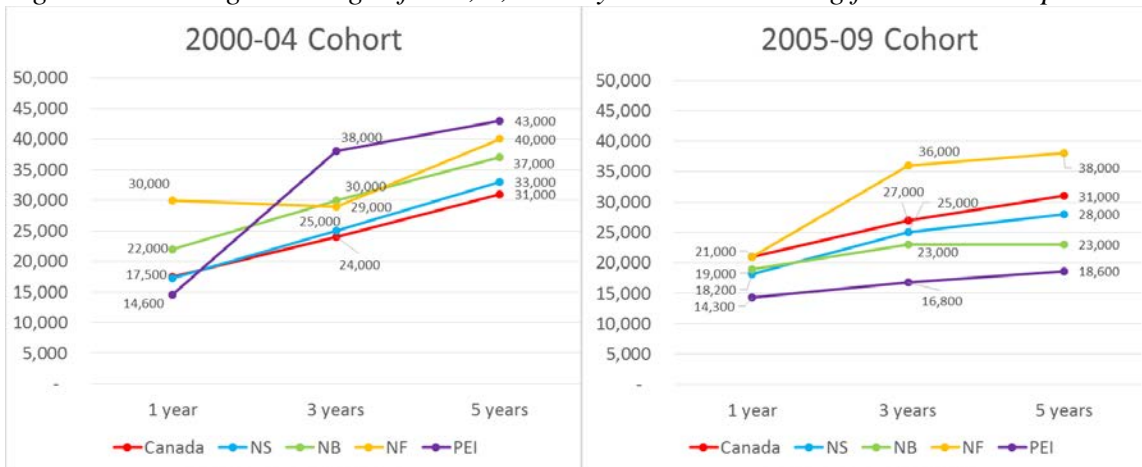


Figure 11: Average earnings after 1, 3, and 5 years since landing for family sponsored spouses/partners



The full report and additional appendices are available at:

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