

**Poor Immigrants in Canada:
Are they working?
A Community Perspective**

Report to the 11th International Metropolis
Conference:

October 2-6 2006 in Lisbon, Portugal

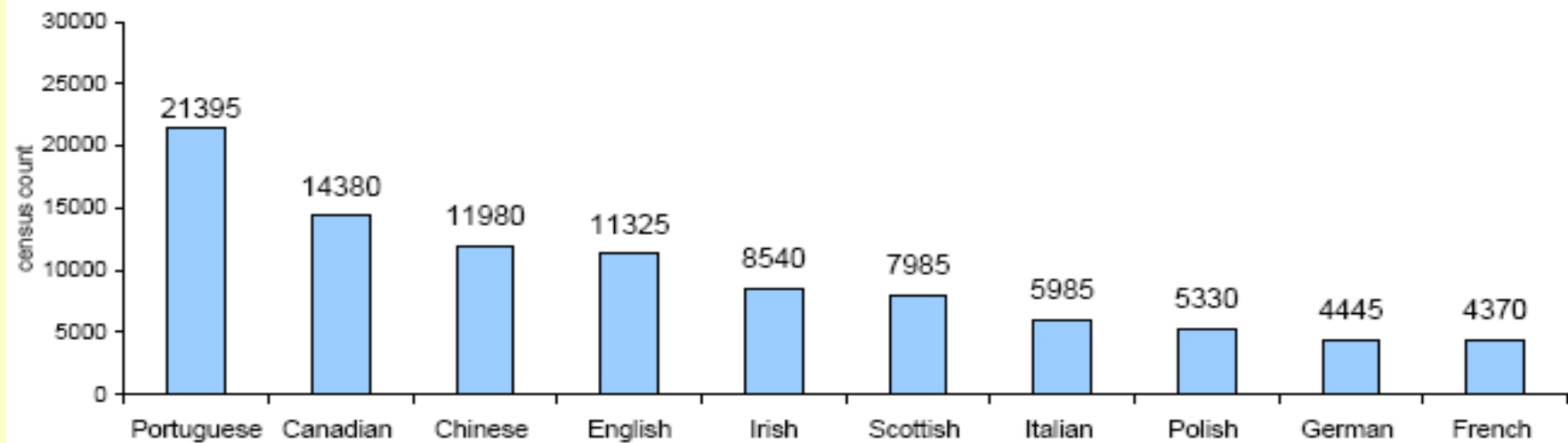
**Odete Nascimento and John Stapleton
St. Christopher House
Toronto, Canada**

St. Christopher House



St. Christopher House is a 96 year old community agency with origins as a settlement house.

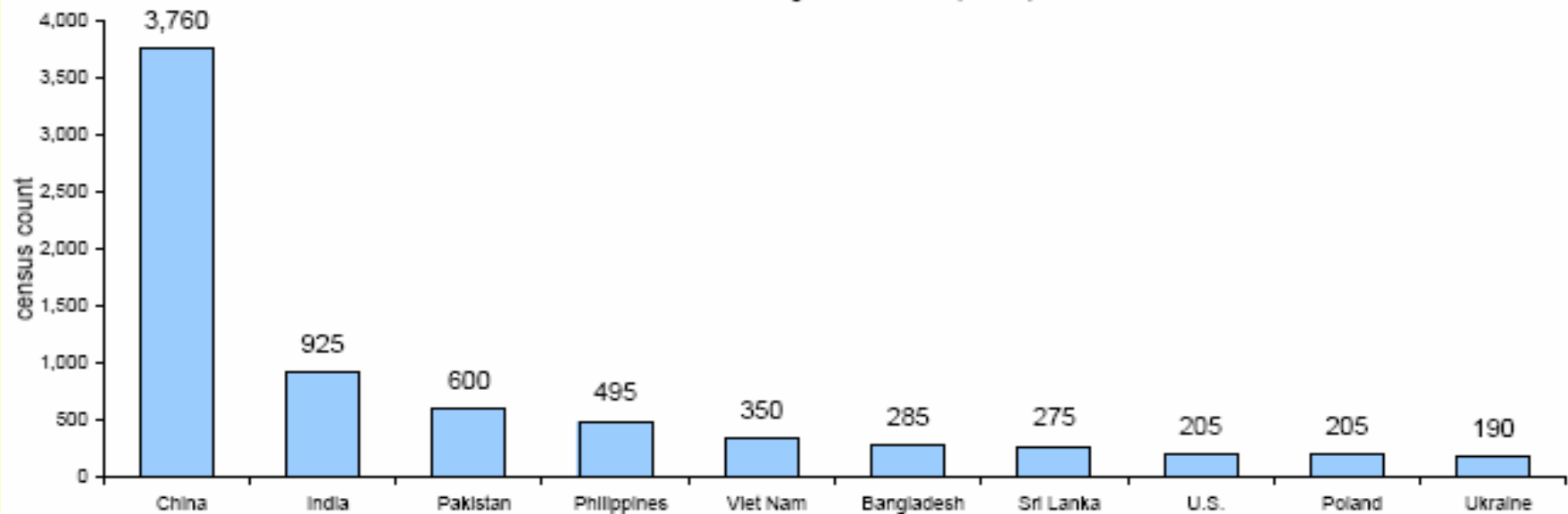
SCH: Top 10 Ethnic Groups, 2001



SCH: Top 10 Recent Immigrant Groups by Place of Birth, 2001

Total Population = 106,985

Total Recent Immigrants = 10,830 (10.1%)



St. Christopher House Approach:

St. Christopher House uses the approach that the lived experience of community members must inform and validate social policy development. We compiled relevant research about immigrants, their employment experiences and their incomes.

Consultations covered:

- Perceptions
- Goals and aspirations to settle and work
- Education and training prior to arrival
- Perceptions of the role of racism and discrimination
- Language, literacy and other “essential skills” barriers
- Difficulties in cultural acclimatization
- The differences between groups of immigrants

Process:

The project principals and multilingual staff conducted a series of focus groups with recent immigrants in the community as well as with staff of Chris and of related agencies to identify and understand the perceived causes of poverty amongst working-age immigrants.



Discussion and Analysis Findings in Brief:

A: Observations

Discussions resulted in the identification of major observations on how recent immigrant fare in the labour market:

- 1.The All or Nothing approach to work
- 2.The Big Income Mix
- 3.The Employment Double-Up
- 4.‘Leaping out’
- 5.‘Starting up’
- 6.Depression and Immobilization
- 7.Family support
- 8.Community Self Protection
- 9.Inter and Intra-cultural and ethnic racism and gender discrimination.

Illustration: Two sets of single parents, each with four children:

Working parent:

- Secured a job paying \$36,000/year
- Housing costs: \$1200/mo
- Responsible for costs of prescription drugs and dental for kids
- Child care subsidy = \$0

Parent on welfare:

- Full social assistance
- No work expenses
- Subsidized housing costs: \$200/mo
- Free prescription drugs and dental care for their children.
- No child care costs

The Big Income Mix

- Many immigrants work in jobs in the cash economy or for contract income.
- Some combine wage income with contract income and under the table income
- Others engage in combinations of wage and non-wage employment.

The Big Income Mix

In the Province of Ontario the number of working age adults is approximately 8.2 million:

- Almost 5.5 million persons work in the wage sector.
- 7 million are counted in the the labour force.
- 1.2 million working age adults are outside of the labour force-or are working in contractual arrangements, or in the cash economy.

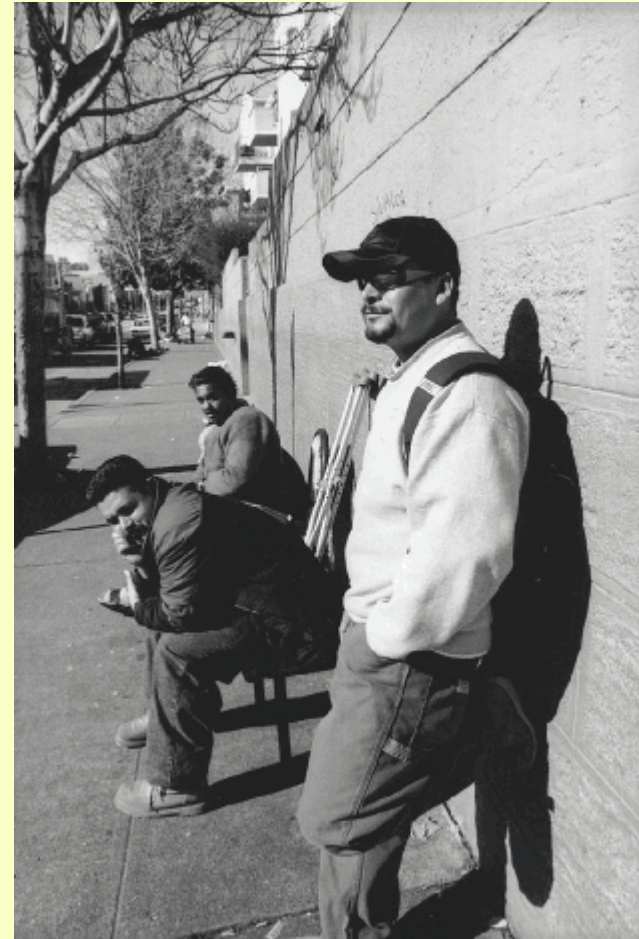


Illustration: Maria

Maria is a cleaning lady from the Portuguese community who works for cash:

- She earns up to \$650/week free and clear.
- If she becomes unemployed or disabled, she will not be eligible for any benefit/program.
- She will not obtain Canada Pension Plan (CPP).

The Big Income Mix

The presence of the underground economy and contract arrangements means that:

- The amount of people who are actually working is underreported
- Recent immigrants may be actually faring better than official statistics would suggest

The Employment Double-Up

Four scenarios are likely:

1. One of the jobs is wage employment and the other is under the table: *the wage employment does not secure threshold hours to be considered working poor.*
2. Both jobs are wage employment: *income can be sufficient to allow the person to arise out of working poverty.*
3. Either job is under the table: *there may be no wage employment at all.*
4. One job is full time wage employment at low wages, and the other job is under the table: *this does not show up as improving the income of the person.*

Illustration: Ella and Beverly



Ella and Beverly both:

- Emigrated from the Philippines a few years ago.
- Work from 6:30 a.m. to 12:30 p.m five days/week at a well known coffee chain.
- Took cleaning jobs at a nearby office building from 5:00 p.m.-10:00 p.m., paid in cash
- Work 55 hours a week on an ongoing basis.
- Have real incomes that take them out of poverty.

‘Leaping out’

Leaping out describes:

- Immigrants who spend time relying on savings while applying for jobs, wait for the *right* job.
- Usually within two years, skilled immigrants in this category are successful; however, they have endured some hardships.

Illustration: Ming

- A certified security software expert who arrived from China two years ago with her husband and 8 year old son.
- Paid hundred of dollars in China for an appropriate English resume.
- Did not apply for a number of jobs where she thought she must have Canadian citizenship.
- After 13 months, she secured a job paying \$55,000/year in the area of her expertise.
- At no time was Ming in the working poor population.



‘Starting Over’

- Immigrants with foreign credentials are faced with the prospect of being obligated to retrain and to re-establish their credentials in Canada.
- It is a long process during which time the individual is out of work.

‘Starting Over’

Persons in ‘hard’
professions may have an
easier time because of:

- Labour shortages in key areas
- Less need to speak English
- Availability of clear testing to prove qualifications
- Fewer risks; i.e. where failure to perform leads to immediate harm to people



‘Starting Over’

Re-establishing credentials in some professions is harder due to:

- The need to speak English well
- Lack of key labour shortages
- Differences in the teachings and execution of the professions themselves (e.g. Law)
- High risk to the public
- Unavailability of definitive testing.



‘Starting Over’

It is in these professions where three courses of action occur:

- Full time engagement in re-qualification for the profession the new immigrant left (*long sojourns from the work force are often taken*)
- Acceptance of a lower qualified position in the same field, e.g. lawyers and doctors who become paramedics and paralegals; (*most appear to escape poverty*) and
- Ph.D.’s become taxi drivers.



Illustration: Consuela

An Economist from Columbia

- She feels that she cannot return to Columbia and is passionate about establishing a safe environment and future for her daughter.
- She is a recognized expert in rural development.
- There were no positions for her in Canada
- Works as a file clerk and administrative assistant, escaped poverty but feels underutilized and unfulfilled.
- She has been accepted to go back to graduate school and plans to obtain her PhD in economics again, this time in Canada.
- She does not live in poverty but she is very close to a poverty line income for herself and her daughter.



Depression and Immobilization

- Many recent immigrants arrive with high hopes of succeeding quickly in Canada.
- When depression is followed by immobilization, paid work can become a distant prospect.

Illustration: Jussara

- Jussara is an immigrant from Brazil who works at St Christopher House.
- She lives with her husband and both came to Canada as professionals who expected to do well.
- Jussara found it extremely difficult to learn English, she lost her optimism and went into depression for many months.
- She eventually overcame these difficulties.



New Waves of Immigrants

The 'type of immigrant' coming to Canada has changed over the last 20 years.

- Immigration act requirements were different
- Worldwide settlement patterns have changed
- The political situation in various countries had changed
- Increase number of professionals such as: Lawyers Economists Teachers Accountants



Do As We Did!



There is an expectation in immigrant communities that new immigrants ought to parallel the settlement experiences of their antecedents.

Do As We Did!

When newer immigrants do not choose the course of the previous wave, new tensions in the host community are created.

- The new immigrants may be accused to ‘think they are better’ or ‘know more’ than those who populated the previous wave.

The result: It takes longer for new immigrants to get on track.



Other Factors – Barriers and Enablers to better living conditions



1. Family support

Regardless of how a working-age recent immigrant fares in the labour market he/she can avoid poverty because of family supports

- If part of a couple they can count on their own resources and of their spouses' to escape poverty
- Working age immigrants with extended families in Canada may avoid poor living conditions by receiving housing, food and/or financial support from the family
- Non-working “guests” will be urged to take any job after a short period of time to curtail the length of stay
- Older men and (particularly) women may be expected to do household chores and babysitting instead

2. Community Self Protection

Communities that do well at protecting themselves help their members move out of poverty.

Advantages to immigrating into an established community:

- Preferential access to certain work available to the community
- Better support respecting settlement
- Positive infrastructure
- Better information
- Political support for community issues

More established communities of self protection include: Italian, Cantonese, Polish, Portuguese Ukrainian South Asian

Newer un-established communities (in comparison) include: African , the former Yugoslavian, Mandarin, Certain Latin American communities

3. Inter and Intra-cultural and ethnic racism and gender discrimination

- Communities that do well as a whole often do well for their members
- Even within communities, there is discrimination between members based on ethnicity, gender, age and other factors.
- Being on the side of those who are favoured can be an enabler while it serves as a barrier for others.

**Making Sense of the
St. Christopher House Consultation
findings:**

**There is good news and
there is bad news:**



The good news:

- Many poor recent immigrants who are thought *not* to be working, are working in ways not easily counted
- They are making more money than is captured in official data
- They are benefiting from the supports available in many communities
- They overcome disincentives to work

The bad news:

- Poor recent immigrants are working too hard; not finding sufficient time to spend with their families
- Do not understand or appreciate the benefits available through EI and CPP as well as other refundable tax credits
- Are working in the cash economy, not eligible to some government programs (E.I., CPP), and not gaining experience on the formal Canadian labour market
- Make choices to wait for or study for a viable well paid job
- Become depressed and dependant of social transfers



Recommendations

1. Provide government supports for non-established communities in designated areas of poverty.
2. Conduct community education campaigns noting the problems of working in the cash economy.
3. Enforce overtime provisions under existing employment standards legislation.
4. Fund studies of intra-community and inter-community racism, gender discrimination and with the view to reducing barriers to employment.
5. Improve EI qualification periods for recent immigrants.
6. And a longitudinal study of recent immigrants to finding the real reasons for employment failure.

Recommendations

7. Create, fund and translate plain language publications relating to employment with information re: employment and training.
8. Study depression and immobilization among new immigrants, to recommend positive steps towards the overcoming of post-immigration depression.
9. Prepare special information on the importance of the CPP for new immigrants.
10. Implement the Working Income Tax Benefit promised in the Federal Budget (06) and the 2005 Economic Statement to improve the options for low income persons and to retain more new immigrants in the above ground wage economy.