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NEWS RELEASE

Immigration policy must continue to favour skilled workers

Study also shows refugee earnings grow rapidly

Montreal – Skills-assessed economic immigrants have had consistently higher earnings than other classes of immigrants and Canada should therefore reverse the decline in the number of immigrants admitted into the skilled worker category, according to a new study published by the Institute for Research on Public Policy (IRPP).

"Canada cannot afford to be complacent in seeking to attract and retain skilled workers," argue authors Michael Abbott and Charles Beach.

In *Do Admission Criteria and Economic Recessions Affect Immigrant Earnings*? the authors examine the annual earnings outcomes in the first decade of four categories of immigrants – skills-assessed economic immigrants, other economic immigrants, family class immigrants, and refugees – who arrived as permanent residents in 1982, 1988 and 1994.

They found that immigrants entering under the Federal Skilled Worker program had the highest median annual earnings among the four categories in all three arrival groups. The median earnings of this group exceed the earnings of other groups by as much as 56 percent, in some cases.

Their findings also show that while refugees initially had low earnings, over their first 10 years in Canada male and female refugees in all three arrival groups consistently had the highest earnings growth rates. The authors recommend that the level of refugee immigration should be restored to the levels of the past 30 years – around 10 to 15 percent of annual permanent resident immigration.

Comparing the incomes of immigrants over their first 10 years in Canada by year of arrival allowed the authors to find that the recession of the early 1990s had a negative impact on the earnings of recently arrived immigrants, particularly males, compared with the earnings of those who arrived during a period of economic growth.

Do Admission Criteria and Economic Recessions Affect Immigrant Earnings? can be downloaded free of charge from the Institute's Web site (<u>www.irpp.org</u>).

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For more details or to schedule an interview, please contact the IRPP.

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