

The Colour Coded Labour Market By The Numbers

A National Household Survey Analysis

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The Colour Coded Labour Market By The Numbers: A National Household Survey Analysis

In 2011, we wrote *Colour Coded Labour Market: The Gap For Racialized Workers*, which used 2006 Census data to describe the labour market experience of racialized Canadians. Since then, we have not only gone through the great recession of 2008, but we have also experienced a significant change in how a major source of racialized labour market data is collected in Canada. This paper updates *Colour Coded Labour Market* with a specific focus on Ontario, providing information on the post-recession racialized labour market experience. It also explores the limitations of the 2011 National Household Survey (NHS) data in describing this experience.

Changes in the census methodology from the mandatory long-form Census to the new voluntary survey were subject to widespread concern and condemnation. A major concern was that marginalized populations, like low-income earners and racialized people, are less likely to respond to voluntary surveys. This paper explores, in the context of racialized data, whether or not those concerns were borne out.

The NHS data show that racialized Ontarians have slightly higher labour force participation rates than non-racialized Ontarians. However, racialized Ontarians also have higher unemployment rates: 10.5 percent as compared to 7.5 percent for the rest of Ontarians. The data also show that the occupational and industrial distribution of the labour force remains racialized and gendered. The data shows an earnings gap between racialized and non-racialized Ontarians of 16.7 percent. And, they show that 20 percent of racialized Ontarians are living in poverty compared to 11.6 percent of non-racialized Ontarians.

However, the NHS data do not show the gap between racialized and non-racialized workers' labour market experiences widening since the 2006 Census data. At face value, this is positive but other research available on labour market experience by immigration status and age suggest the gap is getting wider. This suggests that the NHS data is not adequately capturing racialized Canadians' labour market experience.

Ontario's racialized population continues to grow at a faster rate than the total population, shaping Ontario's labour force. Reliable data are crucial for understanding the labour market experience of racialized Canadians. The NHS and Survey of Labour and Income Dynamics (SLID) provide labour market information by racialized group. However, only the NHS has a large enough sample to provide sufficient detail to understand the experience of different racialized groups. This information is needed to design policy solutions to address barriers to full participation in the labour market for racialized Canadians.

The NHS data has not met that standard. Some of the data limitations have already been identified by Statistics Canada and this paper illustrates further limitations. There is a need for the issue to be addressed in the next cycle of data collection, ideally, through a return to the mandatory long-form Census.

Introduction

In previous papers, *Colour Coded Labour Market* and *The Role of Race and Gender in Ontario's Racialized Income Gap*, we used 2006 Census data to describe the labour market experience of racialized Canadians and Ontarians and to compare it to non-racialized experience. Much has changed in the labour market in the intervening period. We have moved from boom times in 2006 through to the great recession of 2008, and out to a slower growth environment with lagging employment growth and higher unemployment rates. There has also been a change in the data available to analyze racialization and the labour market. The mandatory long-form Census has been replaced with the voluntary National Household Survey (NHS). This change in methodology raised concerns about data quality and data comparability over time.

This paper began as a post-recession update to our previous work using 2011 NHS data for Ontario. It does provide some information on the post-recession racialized labour market experience. However, it is primarily an exploration of the limitations of the 2011 NHS in describing the racialized labour market experience.

Context

The 2008 recession was a 21st century phenomenon: its global synchronized reach, genesis in the near-collapse of the international financial system, and its speed distinguished it from the last century's downturns. That speed was also reflected in the labour market impact. The pace of job losses was faster than in previous recessions and the return to pre-recession employment levels was also faster. Canadian employment started falling in October 2008 and hit a low point nine months later in July 2009. In total, employment declined by 431,000 or 2.5 percent of the workforce. It took a further 18 months to return to pre-recession employment levels. Comparatively, the recessions in 1980s and 1990s saw larger job losses and took longer to return to pre-recession employment levels.^[1] Ontario employment started falling in October 2008 and hit a low point eight months later in June 2009. In total, employment declined by 265,000 or 3.9 percent of the workforce. It took a further 19 months to return to pre-recession employment levels. However, the unemployment rate remained at 8 percent, above the pre-recession rate of 6.5 percent.^[2]

While the headline employment numbers recovered in Ontario by January 2011, there have been a number of analyses that have documented the post-recession deterioration in labour market conditions. A national analysis shows that falling unemployment numbers were in part a result of a drop in employment to population ratio and rising underemployment.^[3] Geoboy documents the lingering high unemployment rate and low employment to population ratio for youth in Ontario five years after the recession; and how the gap between youth and adult unemployment rates is higher than it was during the 1981–82 and the early-1990s recessions.^[4] Further analysis by McIntuff looked at the recession and post-recession experience of Ontario workers by gender. It documented the different experience of Ontario youth by gender, with young women experiencing double the rate of job loss as young men. It also showed the gap between men and women's earnings as wages rose with the recovery, began to widen.^[5]

There has also been increased research and policy attention on precarious work in Ontario over the last five years. The Law Commission of Ontario's report *Vulnerable Workers and Precarious Work* included research that provided a framework and post-recession description of precarious work in Ontario. Using Statistics

Canada data it showed that 22 percent of jobs in Ontario are low wage with precarious characteristics.^[6] It provided an analysis of the adequacy of the legislative framework to address it and a comprehensive list of recommendations for reform. The Precarious Employment in Southern Ontario (PEPSO) project's *It's More than Poverty* report collected data on the widespread nature of precarious work and the negative health and social impacts of increased precariousness.^[7] In *Untapped Potential* the Institute for Competitiveness and Prosperity and the Martin Prosperity Institute focussed in on low-wage, routine service jobs in post-recession Toronto. It described how 45 percent of employment in the Toronto CMA was in these jobs, and how the growth in low-paid, part-time or temporary routine services jobs was almost twice as fast total growth of these jobs.^[8] This research also shows that racialized workers are over-represented in precarious employment.

Two studies have compared the impact of the recession on immigrants and Canadian-born workers. York University's Toronto Immigrant Employment Data Initiative completed an analysis in 2011, using three-month moving averages. It found that the 2008 recession widened the gap between the labour market experience of both established and recent immigrants and the Canadian-born. While established immigrants had previously experienced unemployment rates just slightly above those of Canadian-born, the gap widened to 2-2.5 percentage points in 2009 and 2010. The divergence between recent immigrants and the Canadian-born was more dramatic, with recent immigrants experiencing unemployment rates more than double those of the Canadian-born. It also showed a longer-term trend towards a slightly lower rate of full-time employment among Canadian-born and established immigrants but a much sharper decline among recent immigrants. Between March 2006 and March 2011 the full-time employment rate for recent immigrants fell from 86.1 to 82.9.^[9] A more recent analysis of the immigrant labour market experience from 2008 to 2011, focussed on core-aged workers 25 to 54, using annual averages, showed some similar results: a sharper deterioration of labour market conditions for immigrants than for Canadian-born, and the sharpest deterioration for recent immigrants. The data then show faster job growth for immigrants as compared to Canadian-born in 2010 and 2011. However, the employment rate gap between immigrants and Canadian-born remained unchanged from 2009. While the unemployment rate remains above the 2008 levels for all the population groups, the Canadian-born unemployment rate remains the lowest and has dropped closest back to its 2008 level.^[10]

Together these studies suggest that there would be a widening gap in the labour market experience of racialized and non-racialized Ontarians. Racialized Ontarians are over-represented in recent immigrants and in the youth cohort, suggesting worse labour market outcomes during the recession than for non-racialized Ontarians. The rise in precarious work would also have a disproportionate impact on racialized Ontarians.

Data

Description

This paper relies on data from the NHS. It collects data previously collected by the mandatory long-form Census questionnaire. The survey provides information about the demographic, social and economic characteristics of people living in Canada. It includes 64 questions. The survey questions relate to each

person's situation on May 10, 2011 unless otherwise noted. The NHS was based on a random sample of 4.5 million dwellings in Canada; the sample was selected from the 2011 Census of Population dwelling list.^[11] The response rate to the survey was 68.6 percent.^[12] This analysis is based on the NHS visible minority group variables which are included in the population group questions. These variables rely on self-identification and include: Chinese, South Asian, Black, Filipino, Latin American, Southeast Asian, Arab, West Asian, Japanese, Korean, visible minority not included elsewhere, multiple visible minorities, and not a visible minority. The total visible minority population aggregates the counts for the first 12 groups.^[13] In this paper, we use the term racialized rather than visible minority to acknowledge "race" as a social construct and a way of describing a group of people. Racialization is the process through which groups come to be designated as different and on that basis subject to differential and unequal treatment. An important limitation to this analysis is that it does not include Aboriginal peoples, and in fact, Aboriginal people are included in non-racialized population in the population group questions.^[14]

This paper uses a series of cross tabulations to describe and compare the labour market experience of racialized and non-racialized Ontarians. The variables used in this paper include: labour force status (participation rate, employment rate and unemployment rate), employment by occupation and industry, employment income, and prevalence of low income using the after-tax low income measure (LIM-AT). The summary statistics made available by Statistics Canada do not have sufficient detail to allow for significance testing these variables.^[15]

Data Quality Overview

The change in methodology from the mandatory long form Census to the voluntary NHS was subject to widespread concern and condemnation in the lead up to the 2011 survey.^[16] The concerns focussed on the impact of this change on data quality and comparability over time.

Specifically, the shift from a mandatory census to a voluntary survey increased potential for non-response bias.^[17] Non-response bias arises when those who answer the survey have systematic differences from those who don't. The impact on data quality is relevant to the results of this paper. Marginalized populations like low-income earners and racialized people are less likely to respond to a voluntary survey, as are very high income earners.^[16] Statistics Canada used a number of strategies to mitigate the effect of non-response bias, the evaluation strategy included comparing NHS data to other data sources, including administrative ones.^[13] Through this process, the Agency found evidence of non-response bias for some groups and for some geographic areas. For example, the Agency notes that the evidence suggests that the Filipino population group is overestimated at the national level and that the Arab population group is underestimated in the 2011 NHS.^[13]

Further, the change in methodology results in a break in the data series limiting comparability over time. The NHS user's guide counsels caution on comparing NHS estimates with 2006 long-form Census estimates.^[18]

Data Quality For Variables Used In This Paper

Statistics Canada uses the global non-response rate as its main quality measure for the NHS. The

global non-response rates combines the rate at which households did not respond at all to survey and the rate at which households that responded did not answer individual questions in the survey. The global non-response rate was 27.1 percent for Ontario.^[19] The Agency used a global non-response rate of 50 percent as the cut off for publishing estimates in standard products; estimates for geographic areas with response rates below that were not published. Statistics Canada did not provide the non-response rate for the visible minority questions. However, it did identify that the imputation rate nationally for the population group question was 3.9 percent as compared to 2.9 percent in the 2006 Census (imputation replaces missing, invalid or inconsistent responses with plausible values).^[13] Similarly, the imputation rates for the labour market variables were twice the rates for these variables in the 2006 Census.^[20]

The income reference guide reported that the response rates on the income questions were much lower than the global rate: between 57.9 percent and 60.6 percent.^[21] These response rates were also substantially lower than the 2006 Census. There is also evidence that these low response rates had an impact on data quality. The NHS estimate of median employment income was 8.4 percent higher than the Survey of Labour and Income Dynamics (SLID) data, and 6.3 percent higher than administrative tax data, the T1 family file (T1FF). Similarly, the five year growth rate of median employment income was higher between the 2006 Census and the NHS (8.1%) as compared to SLID (1.7%) and the T1FF (3.9%). Full-time, full-year worker estimates of wages and salaries were more comparable between the NHS and SLID.^[21]

Unsurprisingly, it appears that this divergence in income statistics was also present in the low-income estimates. Statistics Canada stated that low-income estimates compared with previous censuses show markedly different trends than those from SLID or the T1FF. Previous census income releases compared low-income rates over time using the low-income cut-off (LICO). The Agency had such serious concerns about comparability of NHS low income estimates to census ones that the published low-income metric was changed from the LICO to the Low Income Measure (LIM) as a caution against comparability. The data was released with this caution: Data to support quality estimates of low-income trends require a stable methodology over time that has similar response patterns. With the new methodology of the NHS, estimates of low income are not comparable with the census-based estimates produced in the past.^[22]

Approaches To Using NHS Data

The full extent to which the concerns about the data quality of NHS survey have been borne out has not yet been explored. However there is evidence for concern, including the results of this analysis. Institutions and researchers who have traditionally relied on census data have taken different approaches to using NHS data. The City of Toronto is using the NHS data, but is not comparing it to 2006 long-form Census data.^[23] The Canadian Council on Social Development has stated that it will use NHS data when other data is not available.^[24] The Cities Centre researchers have determined that they will not use NHS data.^[25] Former Chief Statistician Munir Sheik cautions against comparison between NHS and long-form Census data.^[26]

Racialized Population In Ontario

Canada is one of the more racially diverse nations, and our population continues to evolve. In 2011, 52 percent of Canada's racialized population resided in Ontario as compared to 39 percent of the total population. In 2011, there were 3,279,565 racialized individuals in Ontario, accounting for 26 percent of

the population.^[27]

The five largest racialized groups in Ontario in 2011 were those who identified as:

1. South Asian (965,990 or 29.5% of racialized groups)
2. Chinese (629,140; 19.2%)
3. Black (539,205; 16.4%)
4. Filipino (275,380; 8.4%)
5. Latin American (172,560; 5.3%)

Statistics Canada estimates that the racialized population will continue to increase at a much faster pace than the total population, shaping Ontario's labour force. By 2031, nearly 40% of the Ontario labour force will be racialized compared to about 22% in 2006.^[28]

Participation, Employment And Unemployment Rates

Table 1 shows the participation, employment and unemployment rates for racialized and non-racialized Ontarians in 2011. It shows that racialized men, at 70.8 percent, have a slightly higher participation rate than non-racialized men at 69.6 percent. Racialized women's participation rate (61.4 percent) is almost identical to non-racialized women (61.5 percent). Overall, the racialized population has a slightly higher participation rate than non-racialized. When comparing the employment rate, the relationship shifts between racialized and non-racialized men. Racialized men have a lower employment rate than non-racialized men. The gap is wider between racialized and non-racialized women at 2.6 percentage points. The gap widens further when comparing unemployment rates. Racialized men have an unemployment rate almost 2 percentage points higher than non-racialized men, and racialized women have an unemployment rate 4 percentage points higher than non-racialized women. The interaction of race and gender differs here; while non-racialized women have a lower unemployment rate than non-racialized men; racialized women have a higher unemployment rate than racialized men.

Table 1: Employment, Unemployment and Participation Rates, Ontario 2011 (percent)

	Racialized			Non-racialized		
	Men	Women	Total	Men	Women	Total
Participation Rate	70.8	61.4	65.9	69.6	61.5	65.4
Employment Rate	63.9	54.4	58.9	64.2	57.0	60.5
Unemployment Rate	9.7	11.4	10.5	7.8	7.3	7.5

Source: Statistics Canada, 2011 National Household Survey. Catalogue Number 99-010-X2011038

The 2012 Statistics Canada analysis of immigrants' labour market experiences during the recession provides a comparator for these results. Table 2 shows some data from that analysis.^[10] That study is focussed on the 25 to 54 year old immigrant labour force, rather than racialized workers and the period under consideration is 2008 to 2011. While the population groups and time periods do not match exactly, there is a large overlap. The changes in the labour force participation rate for immigrants who had been in Ontario for more than five years is similar to that of racialized Ontarians. The change in the participation rate for Canadian-born workers was similar in magnitude to the decrease in participation rates for non-

racialized Ontarians. The sharper decline in the employment rates in the NHS data is consistent with the high unemployment rates that younger Ontarians have been experiencing. The changes in the unemployment rates also show similar patterns. The data show a greater negative impact on recent immigrants than on the racialized population, which does raise concerns.

Table 2: Labour Market Outcomes of Immigrants aged 25 to 54, Ontario (percent)

	2008	2009	2010	2011
Participation Rate				
<5 years	75.2	75.4	75.4	70.5
5 to 10 years	80.6	79.3	81.3	80.2
10 + years	86.8	85.9	86.1	86.0
Canadian Born	88.7	88.3	87.9	88.1
Employment Rate				
<5 years	66.6	64.2	62.8	60.1
5 to 10 years	74.5	69.4	73.3	73.6
10 + years	81.7	78.4	78.8	79.4
Canadian Born	84.8	82.5	82.5	83.3
Unemployment Rate				
<5 years	11.4	14.8	16.7	14.8
5 to 10 years	7.6	12.5	9.9	8.3
10 + years	5.9	8.7	8.4	7.7
Canadian Born	4.4	6.6	6.2	5.4

Source: Statistics Canada, *The Immigrant Labour Force Analysis Series*
The Canadian Immigrant Labour Market, 2012, Catalogue Number 71-606-X

Table 3 shows participation, employment and unemployment rates by racialized groups. While the participation rate for racialized Ontarians was higher than for non-racialized Ontarians, there is variation by racialized group. Table 3 shows that Ontarians who identify as Chinese, Arab, West Asian, Korean and Japanese have lower labour force participation rates than those who identify as non-racialized. Racialized Ontarians' lower employment rates are consistent across most racialized groups, only those who identify as Filipino or Latin American have higher employment rates than non-racialized Ontarians. Similarly, higher unemployment rates were consistent across racialized groups, except for those who identify as Japanese or Filipino.

Table 3: Employment, Unemployment and Participation Rates by Racialized Groups, Ontario 2011 (percent)

	Participation Rate	Employment Rate	Unemployment Rate
Total Racialized Population	65.9	58.9	10.5
South Asian	66.0	58.8	11.0
Chinese	62.3	56.7	9.0
Black	67.0	58.3	13.0
Filipino	75.0	70.2	6.5
Latin American	71.3	63.9	10.4
Arab	59.4	51.6	13.1
Southeast Asian	67.9	60.3	11.1
West Asian	61.3	53.4	12.8
Korean	57.8	52.0	10.0
Japanese	59.9	56.1	6.4
Visible minority, n.i.e.	67.3	59.7	11.3
Multiple visible minorities	66.7	59.5	10.8
Non-racialized	65.4	60.5	7.5

Source: Statistics Canada, 2011 National Household Survey. Catalogue Number 99-010-X2011038

Occupational And Industrial Distribution Of Employment

While both racialized and non-racialized labour markets are gendered; the industry and occupational distribution of both men and women differs by racialization. Tables 4 and 5 show the distribution of the racialized and non-racialized labour forces by occupation and by industry. The all industries and all occupations figures at the top of the table show the share of the total labour force: 12.5 percent for racialized men and 11.8 percent for racialized women. Any occupation or industry that has a racialized labour force share below 12 percent shows an under-representation of racialized workers. Any occupation or industry that has a racialized labour force share above 12 percent shows an over-representation.

The occupational distribution in Table 4 shows that the top three occupations that racialized men are over-represented in are: natural and applied sciences and related occupations, occupations in manufacturing and utilities, and trades transport and equipment operators. It shows that the top three occupations that non-racialized men are most over-represented in trades, transport and equipment operators, natural resources, agriculture and related occupations, and natural and applied sciences. Non-racialized men are over-represented in management occupations while racialized men are not. Both racialized and non-

racialized women are most over-represented in health occupations; second in over-representation for both groups is business, finance and administrative occupations. For non-racialized women, the next largest over-representation is in occupations in education, law, and social community and government services while for racialized women it is occupations in manufacturing and utilities.

Table 4: Labour Force by Occupation, Ontario 2011 (percent)

	Racialized		Non-racialized	
	Men	Women	Men	Women
All occupations	12.5	11.8	39.2	36.5
Management	12.2	7.5	49.4	31.0
Business, finance and administration	9.1	16.4	21.9	52.7
Natural and applied sciences and related	25.6	7.8	52.1	14.5
Health	6.6	20.1	13.4	59.9
Education, law and social, community and government services	6.2	14.6	26.8	52.3
Art, culture, recreation and sport	8.9	9.2	37.6	44.2
Sales and service occupations	12.3	14.3	31.2	42.2
Trades, transport and equipment operators and related	16.9	1.4	76.6	5.1
Natural resources, agriculture and related production occupations	6.8	2.4	70.5	20.3
Occupations in manufacturing and utilities	20.4	15.5	46.2	17.9

Source: Statistics Canada, 2011 National Household Survey. Catalogue Number 99-010-X2011038, Author's calculations

The industrial distribution in Table 5 shows the top three industries that racialized men are over-represented in are: transportation and warehousing, manufacturing and wholesale trade. Non-racialized men are most over-represented in the following three industries: mining, quarrying, oil and gas extraction, construction, and utilities. Racialized men are under-represented in those three industries. Racialized women are most over-represented in health care and social assistance, accommodation and food services, and other services (except public administration). Non-racialized women are most over-represented in health care and social assistance, educational services and accommodation and food services. Both racialized men and women are under-represented in public administration; while those who are non-racialized are over-represented.

Table 5: Labour Force by Industry, Ontario 2011 (percent)

	Racialized		Non-racialized	
	Men	Women	Men	Women
All Industries	12.5	11.8	39.2	36.5
Agriculture, forestry, fishing and hunting	4.1	2.9	61.6	31.4
Mining, quarrying, and oil and gas extraction	5.5	2.3	80.0	12.2
Utilities	10.5	4.7	64.3	20.5
Construction	11.4	1.6	76.9	10.0
Manufacturing	18.9	10.0	51.9	19.3
Wholesale trade	16.6	10.8	48.3	24.3
Retail trade	11.6	12.8	34.2	41.3
Transportation and warehousing	21.1	6.8	52.2	20.0
Information and cultural industries	16.2	11.9	39.1	32.8
Finance and insurance	15.4	19.2	26.6	38.8
Real estate and rental and leasing	13.6	10.5	40.8	35.1
Professional, scientific and technical services	15.9	11.3	39.2	33.6
Management of companies and enterprises	12.3	11.7	41.8	34.1
Administrative and support, waste management and remediation services	15.2	13.2	40.5	31.1
Educational services	6.5	11.0	26.1	56.4
Health care and social assistance	5.0	19.4	12.4	63.2
Arts, entertainment and recreation	8.5	7.0	43.6	41.0
Accommodation and food services	14.7	15.5	27.7	42.0
Other services (except public administration)	10.5	16.1	34.7	38.7
Public administration	8.0	8.6	43.5	39.8

Source: Statistics Canada, 2011 National Household Survey. Catalogue Number 99-010-X2011038, Author's calculations

Because these data are at a broad level of industrial and occupational aggregation, and include all racialized groups, they do not provide a detailed picture of the racial segmentation in Ontario's labour force. However, some gender and racialized patterns can be identified. For example, administrative support, waste management and remediation services includes a range of traditional low-paid business services ranging from call centres to security services to janitorial services. These jobs also tend to be insecure, low paid, and with few or no benefits. Racialized men are much more over-represented in this industry than non-racialized men. Racialized women are over represented in this industry while non-racialized women are not.

Both racialized (18.9) and non-racialized (51.9) men are over-represented in manufacturing. However, racialized men are more likely to be in the lower paying manufacturing occupations (20.4) than in the higher paying trades (16.9) occupations. At the same time, non-racialized are more likely to be in the higher paying trades occupations (76.6) than in the lower paying manufacturing occupations (46.2).

Even at this level of aggregation it is possible to see the differences in the construction of gendered labour for racialized and non-racialized women. Racialized women are over-represented in occupations in manufacturing and utilities; while non-racialized women are not. Non-racialized women are over-represented in educational services while racialized women are not.

Employment Incomes

Table 6 shows the NHS estimates for average employment incomes for racialized and non-racialized Ontarians with employment income. These data show a gap; with racialized workers earning 84.2 cents for every dollar that non-racialized workers earn. Racialized men earn 18.2 percent less and racialized women earn 11.4 percent less than their non-racialized counterparts. While this is a noteworthy difference, the NHS data show a sharp reduction in the earnings gap between racialized and non-racialized workers from the 2006 Census. That data showed racialized workers earning 77.5 cents for every dollar that a non-racialized worker earned.^[29] The NHS data show a reduction in that gap of 8.6 percent. The gap between racialized and non-racialized men fell more sharply than the gap between racialized and non-racialized women.

There are a number of factors that raise concerns about the quality of these NHS data. First, they show a smaller gap for all workers than for full-time, full-year workers (see Table 7). This is a reversal of the usual relationship between these two variables. In the 2006 Census, the gap for full-time, full-year workers is smaller than the gap for all workers. The gap between men's and women's earning is always higher when comparing all workers as compared to full-time, full-year workers. Reduced access to full-time employment and to full-year employment is part of the process of labour market discrimination.

Table 6: Average Employment Income: Total work activity Ontario, 2010 (\$)

	Racialized	Non-racialized	Differential (%)
Men	43,604	53,322	81.8
Women	32,936	37,189	88.6
Total	38,340	45,536	84.2

Source: Statistics Canada, 2011 National Household Survey. Catalogue Number 99-014-X2011041

Table 7: Average Employment Income: Full-time, full-year Ontario, 2010 (\$)

	Racialized	Non-racialized	Differential (%)
Men	58,298	71,820	81.2
Women	47,225	53,942	87.5
Total	53,289	63,937	83.3

Source: Statistics Canada, 2011 National Household Survey. Catalogue Number 99-014-X2011041

Second, the Survey of Labour Income Dynamics (SLID) shows the income gap widening rather than narrowing for racialized men between 2005 and 2010; and staying roughly the same for racialized women (see Table 8).

Table 8: SLID Estimates: Average Employment Income (\$)*, Ontario 2005-2010

		2005	2006	2007	2008	2009	2010
Men	Racialized	40,000	40,400	42,700	41,000	36,900	41,000
	Non-Racialized	49,300	49,100	49,800	54,200	51,300	52,000
	Differential (%)	81.1	82.3	85.7	75.6	71.9	78.8
Women	Racialized	24,000	24,500	26,200	25,800	27,100	28,400
	Non-Racialized	31,300	31,700	33,700	35,400	36,100	37,000
	Differential (%)	76.7	77.3	77.7	72.9	75.1	76.8
Total	Racialized	32,500	32,900	34,900	34,000	32,100	35,100
	Non-Racialized	40,700	40,800	42,200	45,200	44,000	44,800
	Differential (%)	79.9	80.6	82.7	75.2	73.0	78.3

Source: Statistics Canada, Survey of Labour and Income Dynamics, custom tabulation *for individuals with income

Low Income

Table 9 shows the shares of the racialized and non-racialized population with incomes below the after-tax LIM from the NHS and the 2006 Census. It shows that in 2010, 20.1 percent of the racialized population is

living in low income while 11.6 percent of the non-racialized population is. This data shows that racialized Ontarians have a prevalence of low-income that is 73 percent higher than the non-racialized Ontarians. It also shows that all racialized groups, except those who identify as Filipino- or Japanese-Canadian have higher rates of low income than non-racialized Ontarians.

Table 9: After-tax low income by racialized group, Ontario, 2005 and 2010 (%)

	2005			2010		
	Men	Women	Total	Men	Women	Total
Racialized	20.5	21.5	21.0	19.7	20.5	20.1
South Asian	18.5	19.2	18.8	17.6	17.5	17.5
Chinese	19.1	19.3	19.2	18.7	19.2	18.9
Black	23.7	26.9	25.4	23.5	26.5	25.1
Filipino	8.1	8.8	8.5	9.5	10.2	9.9
Latin American	21.0	22.6	21.8	19.6	22.1	20.9
Arab	33.8	34.6	34.2	31.4	33.4	32.3
Southeast Asian	18.8	20.0	19.4	17.0	18.9	18.0
West Asian	35.4	38.3	36.8	32.3	33.9	33.1
Korean	37.6	38.1	37.9	32.0	32.0	32.0
Japanese	9.3	11.7	10.6	9.0	12.4	10.8
Visible minority, n.i.e.	16.6	18.9	17.8	16.6	19.5	18.1
Multiple Visible Minorities	16.0	16.6	16.3	16.0	17.0	16.5
Non-racialized	9.5	11.3	10.4	10.9	12.4	11.6

Source 2005: Statistics Canada, 2006 Census, custom tabulation

Source 2010: Statistics Canada, 2011 National Household Survey. Catalogue Number 99-010-X2011038.

Statistics Canada suggested it is valid to compare NHS low income estimates across demographic groups.^[22] However, the income estimates that these low-income estimates are based on have serious limitations as noted above. The table shows a narrowing of the gap between the rates of low income for racialized and non-racialized Ontarians.

Conclusions

The NHS data show that racialized Ontarians have higher participation rates than non-racialized Ontarians. Racialized Ontarians also have higher unemployment rates; 10.5 percent as compared to 7.5 percent for the rest of Ontarians. They show that the occupational and industrial distribution of employment is gendered and racialized. These data also show an earnings gap between racialized and non-racialized

Ontarians of 16.7 percent. And, they show low income rates for racialized Ontarians that are 73 percent higher than for non-racialized ones. However, they do not show that the gap between racialized and non-racialized workers has widened from the 2006 Census data.

Reliable data are crucial for understanding and addressing the labour market experience and income situation of racialized Canadians. The NHS and SLID are the only surveys that provide labour market information by racialized group. The NHS is the only survey with large enough samples to provide sufficient detail to understand the differing experiences of different racialized groups; and for designing policy solutions to address barriers to full participation in the labour market for racialized Canadians.

This analysis in this paper suggests that the NHS data has not met that standard. Some of the data limitations have already been identified by Statistics Canada. This paper illustrates further limitations in the data. There is a need for this to be addressed in the next cycle of data collection. Ideally, this should be through a return to the mandatory long-form Census.

Endnotes

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