

THE RETURN TO LABOUR MARKET INVESTMENTS IN FEMALE IMMIGRANTS

Social agencies provide newcomers with financial resources and job-seeking skills that help address gender pay ratios.

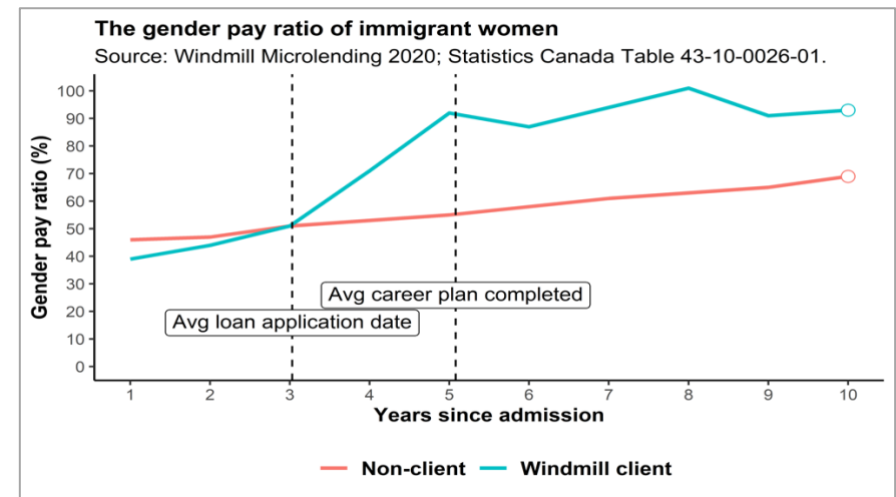
Over the past few months, the Social Policy Trends series has centered around the economic lives and inclusion of newcomers to Canada, and the particular role of social agencies in helping immigrants achieve their potential in the labour market. This has included the [mentorship and coaching](#) provided by the non-profit sector in familiarizing newcomers with job-seeking skills particular to their career paths. We have also shown how refugees may be [supported](#) in their transition to a new life within Canada.

This report concludes this series by focusing on the gender pay ratio of immigrant women, and how their success contributes to maximizing the economic and social benefits of immigration as [outlined by legislation](#).

Gender wage parity is measured by the gender pay ratio – the incomes of women divided by the incomes of men. The gender pay ratio for Canadians in 2019 was [73 cents](#) to women for every dollar earned by men, or 73%. For immigrant women this number stands at 70% but includes both long-term immigrants and new arrivals to Canada. As shown by data here, the newest arrivals to Canada may experience a pay gap that is considerably larger.

Immigrant women who received loans and services to support job transitions saw the gender pay gap nearly close and received incomes that were 51% higher than the national median for immigrant women.

The figure provides shows data provided by [Windmill Microlending](#), a [registered charity](#) that provides immigrants and refugees with low-interest loans and other services to facilitate their licensure, credentialing, and job transition in Canada. The lines in the figure represent the ratio of pay between immigrant women and the national median



for both immigrant and non-immigrant men. The red line represents all immigrant women, while the blue line represents immigrant women who received loans from Windmill to support career transitions. In the periods after receiving these loans recipients of these supports earned median incomes that were approximately 1.5x larger than women who did not. As shown in the figure, not only did their ratio of pay compared to men increase, but the gender wage gap was almost entirely closed in their first decade after arriving in Canada.

Newcomer women face particularly [high barriers](#) in the Canadian labour market after arrival. These barriers leave them with fewer, and less well-paid, income earning opportunities when [compared](#) to both immigrant men and native-born women. [Research suggests](#) that support by social agencies that targets the language and cultural needs of immigrant women may help their career prospects. Our work here helps confirm this hypothesis and suggests that governments seeking to maximize economic gains in their jurisdictions would be wise to invest in labour market training and services helping women generally and immigrant women specifically.