

# OVERVIEW OF THE IMPACT OF COVID-19 ON IMMIGRANTS

PART 1 - FOCUS ON ECONOMICS

GUELPH WELLINGTON LOCAL IMMIGRATION PARTNERSHIP



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## OVERVIEW OF THE IMPACT OF COVID-19 ON IMMIGRANTS – ECONOMICS

*The public interest regarding COVID-19, along with the rapid pace of change of public health measures has resulted in a huge amount of research being released. It is important, therefore, to note that many studies have been released with speed in mind, and might as a result be less reliable or rigorous than one would normally expect, due to differences in sampling methods and sizes. In addition, the rate at which research is being released is likely unprecedented, which means that many studies may become outdated more quickly than normal. The authors feel that this report should be read with these points in mind.*

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Since March 2020, the threat of COVID-19 has had a significant impact on Canada's economic, social and physical well-being. As with any issue, COVID-19 has impacted different groups in disproportionate ways, and there are many indications that recent immigrants' experiences have been particularly negative. This brief literature review will focus on the economic impacts of COVID-19 on immigrants in Canada.

The Labour Force Survey is a monthly survey which measures the current state of the Canadian labour market and is used to calculate employment and unemployment rates. It is an ideal point to begin an examination of the short term labour situation in Canada.

The first Labour Force Survey following significant action to control the spread of SARS-CoV-2 was conducted in April 2020. Analysis of that survey shows a dramatic impact on Canada's labour force, with Employment dropping **15.7%** between February and April. This is the largest decrease in Employment seen since Statistics Canada started collecting this information in 1976. Employment among very recent immigrants (five years or less) fell significantly more during this period (**-23.2%**) than it did for those born in Canada (**-14.0%**). More established immigrants (those in Canada for 5-10 years or more) saw a decrease of employment of **~17%**.<sup>1</sup>

In the May 2020 Labour Force survey noted a small rebound over the previous month of Employment for Canadian-born population (**+4.6%**) and immigrants of more than 5 years (**+2.4%**), but Employment for recent immigrants remained relatively unchanged.<sup>2</sup>

Employment for very recent immigrants increased through June (**+3.9%**)<sup>3</sup> and July 2020 (**+2.1%**)<sup>4</sup>, similar rates as for the rest of the immigrant and Canadian-born population.

### Impact of COVID-19 on Self-Employed Immigrants

Between February 2020 and May 2020, there was a greater decrease in business ownership for immigrants (**-16.1%**) than non-immigrants (**-10.6%**). Self-employed immigrants also saw a greater decrease in their hours worked during that period (**-44.3%**) versus self-employed non-immigrants (**-27%**).<sup>5</sup>

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<sup>1</sup> Statistics Canada. 2020. [Labour Force Survey, April 2020](#).

<sup>2</sup> Statistics Canada. 2020. [Labour Force Survey, May 2020](#).

<sup>3</sup> Statistics Canada. 2020. [Labour Force Survey, June 2020](#).

<sup>4</sup> Statistics Canada. 2020. [Labour Force Survey, July 2020](#).

<sup>5</sup> Beland, Fakorede and Mikola. 2020. [The Short-Term Effect of COVID-19 on Self-Employed Workers in Canada](#).

Majority immigrant-owned businesses indicated a comparable share of workforce teleworking to all types of business ownership prior to COVID-19 restrictions.<sup>6</sup> However, majority immigrant-owned businesses have been disproportionately impacted by COVID-19 when compared to all **types** of business ownership, indicating a larger decrease in demand for their products or services<sup>7</sup>, and being almost twice as likely to have closed permanently during the COVID-19 pandemic as of July 2020.<sup>8</sup>

March 2020					
Canada ( <a href="#">map</a> )					
Decrease in demand for products or services					
Business characteristics	Level of impact, none	Level of impact, low	Level of impact, medium	Level of impact, high	Level of impact, unknown
Percent					
Canada, all provinces and territories	9.4	8.2	16.1	64.8	1.4
Majority ownership, all ownerships	9.4	8.2	16.1	64.8	1.4
Majority ownership, immigrant to Canada	7.5	6.4	15.2	69.6	1.3

Figure 1 - Statistics Canada. 2020. Table 33-10-0229-01. Extent of various impacts experienced by businesses because of COVID-19, by business characteristics.

### Impact of COVID-19 on Post-Secondary Education Enrolment

International student enrolment in Canadian post-secondary institutions has steadily grown over the past decade. In just 8 years, international students as a percentage of total college enrolment increased from 5.2% in 2009/2010 to 13.2% in 2017/2018, and from 8.2% to 14.7% over the same period for universities. The trend is also increasing, with almost 24% of new university enrolments and 16.3% of new college enrolments in 2017/2018 being international students. Travel restrictions put in place to control the pandemic would normally prohibit international students from participating in Canadian post-secondary programs, however the Canadian government has made changes to permit international students to participate in the Fall semester through online classes<sup>9</sup>, along with travel ban exemptions for some international students with valid study permits.<sup>10</sup> However, the impact of COVID-19 on actual international student enrolment for the 2020/2021 academic year is yet to be seen.

Increasingly, Canada is looking internationally to source in demand skills in STEM fields, and international students account for almost a quarter of university *Architecture, Engineering and Related Technologies* enrolments, and almost a third of *Mathematics, Computer and Information*

<sup>6</sup> Statistics Canada. 2020. Table 33-10-0228-01. [Percentage of workforce teleworking or working remotely, and percentage of workforce able to carry out a majority of duties during the COVID-19 pandemic, by business characteristics.](#)

<sup>7</sup> Statistics Canada. 2020. Table 33-10-0229-01. [Extent of various impacts experienced by businesses because of COVID-19, by business characteristics.](#)

<sup>8</sup> Statistics Canada. 2020. Table 33-10-0230-01. [Changes made by businesses during the COVID-19 pandemic, by business characteristics.](#)

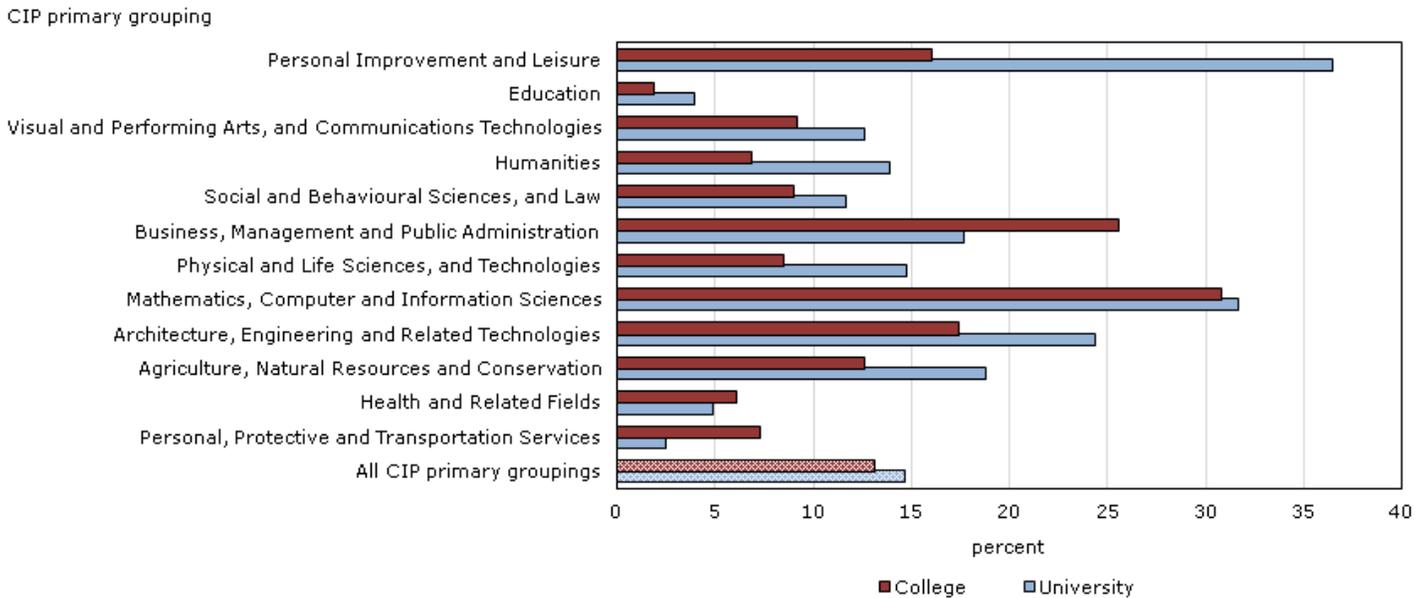
<sup>9</sup> Immigration, Refugees and Citizenship Canada. 2020. [Minister Mendicino announces changes to facilitate online learning for international students.](#)

<sup>10</sup> Immigration, Refugees and Citizenship Canada. 2020. [Coronavirus disease \(COVID-19\): International students.](#)

Sciences enrolments.<sup>11</sup> A decrease in international student post-secondary enrolments not only poses a risk to the ability of colleges and universities to maintain enrolment when Canadian-born enrolment remains stable relative to international enrolments<sup>12,13</sup>, but also poses a risk to Canada’s ability to source the skills required of a modern technology-driven economy.

**Chart 1**

**International students, as a percentage of 2017/2018 enrolments, by 2016 CIP primary grouping and institution type**



**Note:** CIP = Classification of Instructional Programs.  
**Source:** Postsecondary Student Information System.

*Figure 2 - Frenette, Choi and Doreleyers. 2020. International Student Enrolment in Postsecondary Education Programs Prior to COVID-19.*

The University of Guelph should generally expect a less significant impact, due to their low enrolment of international students (5%)<sup>14</sup> compared to average international student enrolment in Canada (15%)<sup>15</sup>.

The University may experience a more significant impact to their graduate programs, with 16.4% of those students being international in the 2018/2019 academic year, compared to 3.8% of their undergraduate population. Of particular note is the College of Engineering and Physical Sciences<sup>16</sup>, where 36% of graduate students were international in 2018/2019. The college accounts for 17% of the University’s graduate enrolments.<sup>17</sup>

On the other hand, Conestoga College’s significant international student enrolment puts it at greater risk than the University of Guelph. For the 2018/2019 academic year, international students accounted for 46.4% of all full time students, up from only 30.3% in the prior academic

<sup>11</sup> Frenette, Choi and Doreleyers. 2020. [International Student Enrolment in Postsecondary Education Programs Prior to COVID-19.](#)

<sup>12</sup> Statistics Canada. 2018. [Canadian postsecondary enrolments and graduates, 2016/2017.](#)

<sup>13</sup> Statistics Canada. 2020. [Canadian postsecondary enrolments and graduates, 2017/2018.](#)

<sup>14</sup> University of Guelph. 2019. [Fact Book 2018-2019.](#)

<sup>15</sup> Frenette, Choi and Doreleyers. 2020. [International Student Enrolment in Postsecondary Education Programs Prior to COVID-19.](#)

<sup>16</sup> *The College of Engineering and Physical Sciences includes the Chemistry, Mathematics and Statistics, Physics, School of Computer Science and School of Engineering departments*

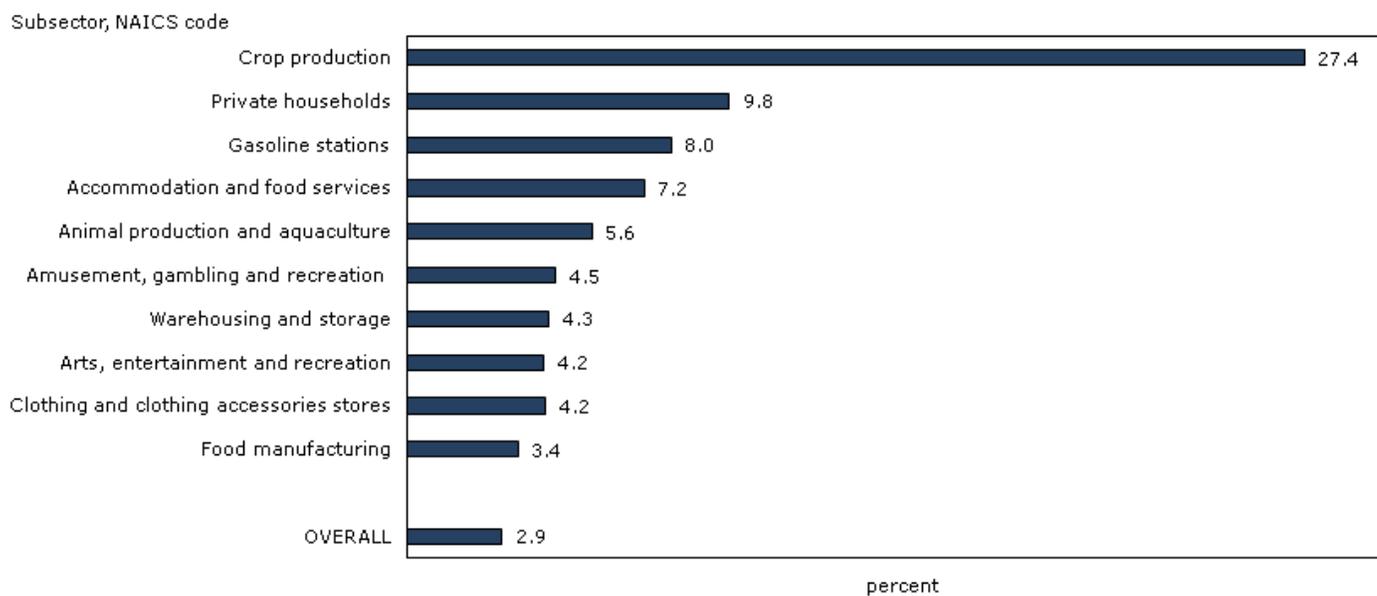
<sup>17</sup> University of Guelph. 2019. [Fact Book 2018-2019.](#)

year.<sup>18</sup> Although there are currently only around 1,000 students attending Conestoga’s Guelph campus (<6% of Conestoga’s total enrolment), there are plans to increase enrolment to 5,000 over the next 5 years, and change programming at that campus from a focus on trades to more general programming such as IT, business and health<sup>19</sup>. Figure 2 (above) suggests that these are programming areas which are particularly popular with international college students.

### Impact of COVID-19 on Temporary Foreign Workers

The use of Temporary Foreign Workers (TFW’s) in Canada has grown considerably in recent years. Nearly 470,000 foreign nationals held a TFW work permit in Canada in 2019, up from 390,000 in 2018 and 340,000 in 2017. TFW’s account for more than 40% of agricultural workers in Ontario, but they also are a significant portion of the workforce in other sectors, as outlined in Figure 3.<sup>20</sup>

**Chart 1**  
**Proportion of temporary foreign workers, selected industries**



**Note:** NAICS = North American Industry Classification System.  
**Source:** Statistics Canada, Canadian Employer–Employee Dynamics Database.

*Figure 3 - Lu. 2020. The distribution of temporary foreign workers across industries in Canada.*

The seasonal nature of Canada’s agriculture industry results in it’s food supply being particularly vulnerable, especially in crop production and horticulture where most TFW’s work. Any restrictions on the travel of TFW’s could result in a labour shortage for the 2020 growing season.<sup>21</sup> The Canadian government recognized this threat early in the pandemic and took

<sup>18</sup> Conestoga College Institute of Technology and Advanced Learning. N.D. [Annual Report 2018-2019](#).

<sup>19</sup> GuelphToday. 2019. [Conestoga's Guelph campus targeted for big growth](#).

<sup>20</sup> Lu. 2020. [The distribution of temporary foreign workers across industries in Canada](#).

<sup>21</sup> Statistics Canada. 2020. [COVID-19 Disruptions and Agriculture: Temporary Foreign Workers](#).

measures to exempt seasonal agricultural workers from travel restrictions,<sup>22</sup> but the impacts of this disruption are still uncertain.

### Immigrants in the Health Care Sector

Many immigrants in Canada are essential workers, which puts them at greater risk of contracting COVID-19. *Nurse aides, orderlies and patient service associates*<sup>23</sup>, especially those in Ontario and Quebec, have been at particularly high risk of contracting COVID-19, given that they are often employed in nursing and residential care facilities. In 2016, 245,500 people were employed as nurse aides, orderlies and patient service associates in Canada. Of these workers, more than a third (87,925) were immigrants (41.2% in Ontario). By comparison, immigrants represented less than 1 in 4 people in all other occupations in Canada (31.1% in Ontario).

In 2016, a quarter of immigrants working as nurse aides, orderlies and patient service associates had at least a bachelor's degree, versus only 5% of non-immigrants. 45% of the most recent immigrants in these occupations (those who had settled in Canada between 2011 and 2016) had at least a bachelor's degree.<sup>24</sup>

In recognition of the role that those with precarious immigration status have played in caring for Canadians during the COVID-19 pandemic, Immigration, Refugees and Citizenship Canada have provided a pathway to permanent residency for asylum claimants working in the health care sector before March 13, 2020.<sup>25</sup>

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<sup>22</sup> Immigration, Refugees and Citizenship Canada. 2020. [Canada provides update on exemptions to travel restrictions to protect Canadians and support the economy.](#)

<sup>23</sup> *Nurse aides, orderlies and patient service associates assist nurses, hospital staff and physicians in providing basic care to patients. Although the majority of nurse aides, orderlies and patient service associates work in nursing and residential care facilities (53%), many also work in hospitals (23%), facilities providing individual and family services (6%) and other health care establishments.*

<sup>24</sup> Turcotte and Savage. 2020. [The contribution of immigrants and population groups designated as visible minorities to nurse aide, orderly and patient service associate occupations.](#)

<sup>25</sup> Immigration, Refugees and Citizenship Canada. 2020. [Pathway to permanent residency recognizes exceptional service of asylum claimants on front lines of COVID-19 pandemic.](#)