

Racialized Canadians are less likely to find as good jobs as their non-racialized and non-Indigenous counterparts early in their careers

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Although racialized people are generally more likely than their non-racialized, non-Indigenous counterparts to earn a bachelor's degree or higher, they are less likely to find jobs that offer the same pay and benefits in the years following graduation.

In particular, two years after graduating, racialized graduates reported lower employment earnings and lower rates of unionization and pension plan coverage than their non-racialized, non-Indigenous counterparts. However, the findings varied considerably by racialized group and gender.

The results come from two new studies published today, "[A portrait of educational attainment and occupational outcomes among racialized populations in 2021](#)" and "[Early career job quality of racialized Canadian graduates with a bachelor's degree, 2014 to 2017 cohorts](#)."

Using data from the 2021 Census, the first study examines the differences in education and employment of the racialized working-age population in Canada, based on characteristics such as immigrant and generation status, time since immigration, place of birth, and location of study.

The second study uses data from the integrated file of the Postsecondary Student Information System, the 2016 Census and the T1 Family File to examine differences in employment income, unionization and pension plan coverage rates among racialized graduates and non-racialized, non-Indigenous graduates, two years after graduation with a bachelor's degree.

Racialized populations often have a higher level of education than the national average

The results of the study "[A portrait of educational attainment and occupational outcomes among racialized populations in 2021](#)," indicate that many racialized populations, including the Korean, Chinese, South Asian, West Asian, Japanese, Arab and Filipino populations, had education levels well above the national average.

However, Southeast Asian people had lower levels of education, which may be attributed to many arriving to Canada as refugees. Nevertheless, second-generation Southeast Asian people (those born in Canada to foreign-born parents) had much higher education levels than their parents.

There were considerable variations in the educational attainment of Latin American and Black populations. Latin American immigrants who immigrated in 2001 or later were more likely than Canadians overall to have a bachelor's degree or higher. The same pattern was seen for first- and second-generation Black Canadians who were born in Africa or who had at least one parent who was born in Africa.

By comparison, Latin American immigrants who arrived before 2001 in Canada and the third-generation-or-more Black Canadians (those born in Canada with both parents born in Canada) were less likely to obtain a bachelor's degree or higher than Canadians overall.

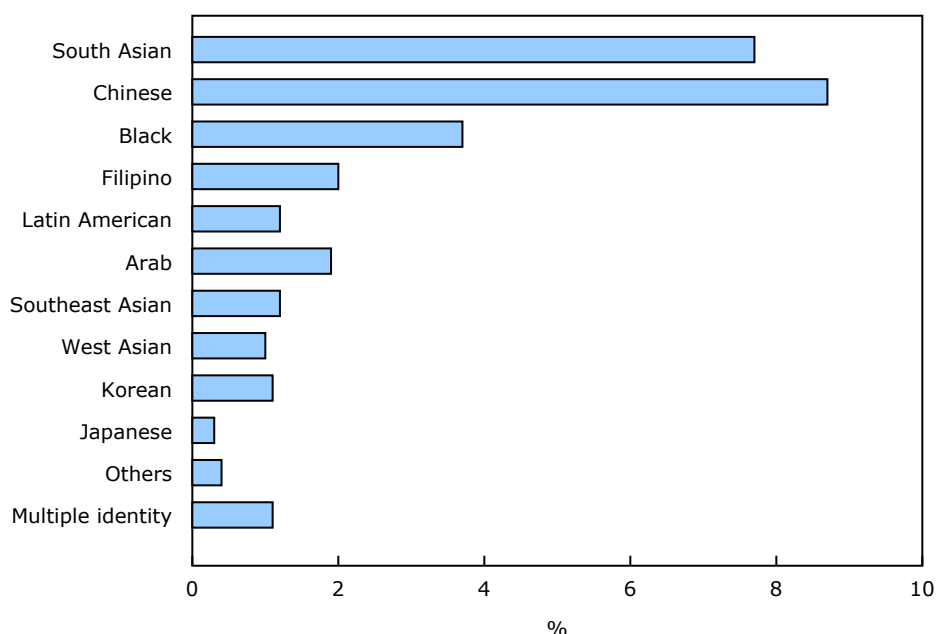


South Asian, Chinese and Black populations account for largest share of racialized graduates with a bachelor's degree

According to the study "[Early career job quality of racialized Canadian graduates with a bachelor's degree, 2014 to 2017 cohorts](#)," 395,000 students graduated with a bachelor's degree from a Canadian educational institution from 2014 to 2017. Of these graduates, 118,500 were racialized, accounting for close to one-third (30%) of all graduates with a bachelor's degree during that period.

Reflecting their representation in the Canadian population, Chinese, South Asian and Black graduates accounted for the largest share of racialized graduates with a bachelor's degree, making up roughly two out of every three racialized graduates (67%).

Chart 1
Distribution of graduates with a bachelor's degree from 2014 to 2017, by population group



Note(s): The South Asian population group is made up of East Indians, Pakistanis and Sri Lankans. The Southeast Asian population group is made up of Vietnamese, Cambodians, Malaysians and Laotians. The West Asian population group is made up of Azerbaijanis, Iranians, Afghans and Uzbeks.

Source(s): Integrated Postsecondary Student Information System ([5017](#)), T1 Family File ([4105](#)) and 2016 Census file ([3901](#)), 2014 to 2017 cohort.

The average age at graduation varied among racialized groups. In general, Asian graduates were younger at the time of graduation. For example, on average, Chinese, Southeast Asian, South Asian and Filipino graduates earned their bachelor's degree at around age 25. This compares to an average age of 26 for non-racialized, non-Indigenous graduates; 27 years of age for Latin American and Arab graduates; and 29 years of age for Black graduates.

There were also differences by gender. The proportion of women in the graduate population ranged from 51% for South Asian graduates to 64% for Black graduates. The same proportion was 61% among non-racialized, non-Indigenous graduates.

The field of study varied by racialized group and gender. Among female graduates, science programs, including physical and life sciences and technologies; mathematics, computer and information sciences; and architecture, engineering and related technologies, were much more common among Arab (19%), Chinese (16%) and Korean

(16%) graduates than among non-racialized, non-Indigenous (8%) and Black (7%) graduates. The field of education, which was more popular among non-racialized, non-Indigenous (18%) and Arab (15%) female graduates, was the least common among most racialized groups.

Among racialized and non-racialized men, the field of science and that of business, management and public administration were among the most popular. However, these two fields combined were more common among Arab (76%), South Asian (73%), Chinese (71%) and West Asian (71%) graduates than among non-racialized and non-Indigenous graduates (58%).

Racialized graduates generally have lower employment incomes than non-racialized, non-Indigenous graduates

In general, two years after earning a bachelor's degree, the employment income was lower among racialized graduates than non-racialized, non-Indigenous graduates. It was also lower among women than men. Employment income averaged \$45,700 per year for racialized women and \$47,800 for non-racialized and non-Indigenous women, compared with \$51,600 for racialized men and \$54,100 for non-racialized and non-Indigenous men.

The income gaps between racialized graduates and non-racialized, non-Indigenous graduates persisted for many racialized groups even when graduate characteristics were considered. Among women, West Asian and Arab graduates had the largest income gaps, earning 16% less (in the case of West Asian female graduates) and 15% less (in the case of Arab female graduates) than non-racialized and non-Indigenous women. This was followed by Black, Korean, South Asian and Latin American female graduates, with employment incomes that were 8% to 9% lower than those of their non-racialized, non-Indigenous female counterparts.

Among men, Black, Southeast Asian, Filipino, Chinese and Korean graduates had the lowest employment incomes. After controlling for characteristics, they earned from 11% to 13% less than their non-racialized, non-Indigenous counterparts. Next were South Asian and Arab male graduates who earned on average 6% less than their non-racialized, non-Indigenous male counterparts.

Racialized graduates generally have lower unionization and employer pension coverage rates than non-racialized, non-Indigenous graduates

Racialized graduates also reported lower rates of unionization and employer pension plan coverage than their non-racialized, non-Indigenous counterparts. These rates were generally higher among women than men, for both racialized graduates and non-racialized, non-Indigenous graduates.

For example, among women, graduates from all racialized groups, with the exception of Black graduates, had lower unionization rates than non-racialized, non-Indigenous graduates (53%).

Among men, 6 of the 10 racialized groups had lower unionization rates than non-racialized, non-Indigenous graduates (31%), with rates ranging from 16% for Korean graduates to 27% for Arab graduates.

However, the observed gaps narrowed, and even disappeared for a number of racialized groups, when the graduate and employment sector characteristics were considered.

Similar trends were seen in employer pension coverage rates, which were also generally lower among racialized graduates. The gap between the coverage rate of racialized graduates and non-racialized, non-Indigenous graduates also tended to disappear once the graduate characteristics were considered.

Note to readers

Definitions

Racialized people: Individuals in groups designated as visible minorities. The Employment Equity Act defines members of visible minorities as "persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour." The visible minority population consists mainly of the following groups: South Asian, Chinese, Black, Filipino, Arab, Latin American, Southeast Asian, West Asian, Korean and Japanese.

Employment income: Employment income includes the wages and salaries of individuals with salaried employee status. The measure presented in this article is the average annual employment income two years after graduation with a bachelor's degree. This average has been adjusted for inflation. Incomes of zero and over \$500,000 were excluded.

Unionization rate: The unionization rate was derived from the union dues variable on the T1 Family File. If the amount reported for union dues is greater than \$0, the individual is considered to be covered by a collective agreement.

Employer pension plan (EPP) coverage rate: The EPP coverage rate was derived from the pension adjustment in the T1 file. The pension adjustment calculates the retirement savings accumulated by or on behalf of the member in one year in one or more registered pension plan or deferred profit sharing plan and in some non-registered pension plans or arrangements. If the amount of the pension adjustment is greater than \$0, the person is considered to be covered by an EPP.

Definitions, data sources and methods: survey numbers 3901, 4105 and 5017.

The article "Early career job quality of racialized Canadian graduates with a bachelor's degree, 2014 to 2017 cohorts" is now available in *Insights on Canadian Society* (75-006-X).

The article "A portrait of educational attainment and occupational outcomes among racialized populations in 2021" is now available in *Census in Brief* (98-200-X).

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