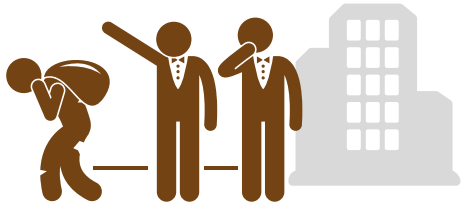


FACT SHEET # 5

RACIALIZED POVERTY IN EMPLOYMENT

How are racialized people disadvantaged in employment?

There are significant racialized wage and employment gaps in Canada. Factors that are making the gaps deeper and wider are: systemic racism in hiring and promotion; de-skilling of immigrants due to non-recognition of international credentials and experience; and use of police record checks to discriminate against applicants.



- **Racialized Unemployment:** People of colour living in Ontario have higher unemployment rates than White residents. Racialized men are 24% more likely to be unemployed than non-racialized men. Racialized women are 43% more likely to be unemployed than non-racialized men.
- **Migrant Workers:** The number of temporary migrant workers in Canada has more than quadrupled since 2000. As of 2018 there were 429,340 temporary status workers in the country. Workers in low-wage streams of temporary migration – disproportionately workers of colour from the global South – are exceptionally susceptible to exploitation and abuse.
- **Racism:** Migrant agricultural workers in Ontario, the majority of whom are Mexican and Caribbean, have little legal protection. One study found 75% of migrant farm workers reportedly experience more racism in Canada than in the U.S.
- **Precarious Work:** Racialized people – both Indigenous Peoples and peoples of colour – and immigrants are over-represented in part-time and precarious employment characterized by lower wages, absence of benefits, and job insecurity.

There is no government plan to address issues that have a disproportionate impact on workers of colour and immigrant workers such as: employers violating employment standards provisions with impunity; employees being unable to recover lost wages due to recalcitrant employers; and fear of losing one's job and being blacklisted in the community – a fear that is very high in Indigenous communities and communities of colour.



AN INDIGENOUS FOCUS

- In 2015, Indigenous People were under-represented in most "knowledge occupations" – professional, managerial and technical occupations, which tend to require post-secondary education and receive better pay. They are less likely than non-Indigenous people to work in management occupations (7.1% vs. 9.5%) or business, finance and administration occupations (14.4% vs. 17.0%).
- In a 2018 health report, 63% of Indigenous People were unemployed compared to the 7% Ontario average; with 87% living below LICO.
- Indigenous employees working full-time earned an average of \$26.00 per hour in 2015, while their non-Indigenous counterparts earned an average of \$27.41 per hour.

“ I lost my job, I am hungry. I need money for my children... I can't think well... The [claim] form they gave, it is so complicated... It took eights months until the investigation. -Hassan, about a failed claim for \$7000 in unpaid wages ”



During the 5-year period from 1987 to 1992, 72% of the lowest-income earners (bottom 10%) moved up the income ladder, but by 2007–2012, this percentage fell to 60%

Quick Notes

- When we refer to peoples of colour we speak of Canadians of non-European background or heritage - both people of colour who are Canadian-born as well as those who are born elsewhere.
- When we refer to Indigenous Peoples, we speak of First Nations, Inuit, and Métis persons.
- In Toronto, 62% of all persons living in poverty are from racialized groups.
- 52% of Canada's racialized people living in poverty reside in Ontario.
- Households that fall below Canada's low income cut-off (LICO) or low income measure (LIM), spend a much larger percent of their income on basic necessities like food and shelter than the average family; this is how we measure poverty.
- Systemic racism is often caused by hidden institutional biases in policies, practices and processes that privilege or disadvantage certain groups of people. It can be the result of doing things the way they have always been done without considering how they affect particular groups differently.

- **Credentials:** Immigrants' credentials and work experience are often undervalued or devalued; 41% of chronically poor (under LICO for 5 consecutive years) immigrants have degrees.
- **Names:** Multiple studies have demonstrated that employers discriminate against job applicants with African, Asian or Muslim "sounding" names, even when applicants have equivalent education and experience. The same bias gets expressed based on one's neighbourhood of residence.
- **Policing:** Employers' use of police record checks in the hiring process entrenches the exclusion of over-policed Indigenous groups, Black and other communities of colour from the labour market.
- **Discrimination:** Several studies suggest that discrimination in the labour force, higher unemployment rates, more insecure/precarious employment, and lower wages and earnings are significant contributors to the growing number of racialized families living in poverty.



Migrant workers who are injured on the job are routinely sent back to their countries of origin, preventing them from accessing needed treatment, treatment which may not be available in their own countries, and the workers compensation benefits to which they are entitled.

WHAT'S BEING DONE?

Toronto Community Benefits Network (TCBN) works to secure employment and apprenticeship opportunities in all public infrastructure projects for equity-seeking groups and historically disadvantaged communities in the Greater Toronto Area.
www.communitybenefits.ca / info@communitybenefits.ca

The Ontario Federation of Indigenous Friendship Centres is a network of centres that act as cultural hubs where Indigenous community members can seek support in employment and educational goals, family, health, justice, and many more services.
www.ofifc.org / ofifc@ofifc.org