

Impacts of Immigration on net public transfers in Canada : A National Transfer Accounting Approach

Preliminary results

Workshop on micro-NTA and distributional issues
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Canadian literature

	Net public transfers of immigrants (inflows minus outflows)	Year
Akbari (1989)	-\$500	1981
Grubel and Grady (2012) (Recent immigrants)	\$6,051	2005/06
Javdani and Pendakur (2013)	\$500	2006

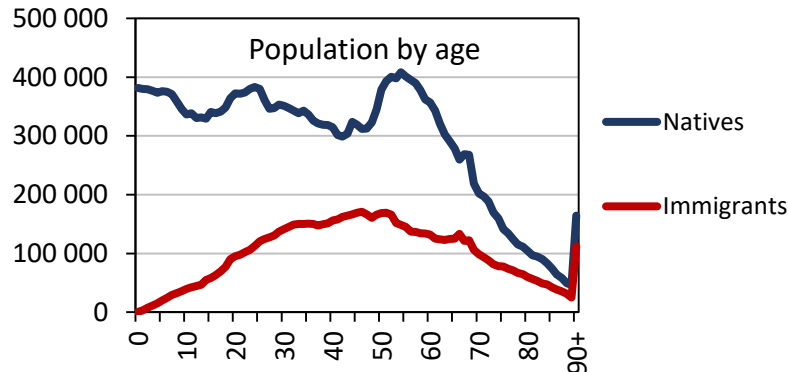
Hypothesis : Immigrants should contribute more than natives?

1°) They are more educated :

Distribution of individuals aged 25 to 64 by postsecondary education status (2006)

	Postsec. education	No postsec. education
Canadian-born	59,2%	40,8%
Immigrants	74,0%	26,0%

2°) They are numerous in the working age group :



3°) They are doing well in terms of unemployment rate (and participation rate) : 5,5%(85%) for immigrants VS 4,3%(89%) for people aged 25 to 54.

1°) Aggregates : NTA by age groups

- Navaux and Mérette, 2020.

2°) Population by age for immigrants and for natives : from 1981 to 2016 (Statistics Canada)

- Statistics Canada.

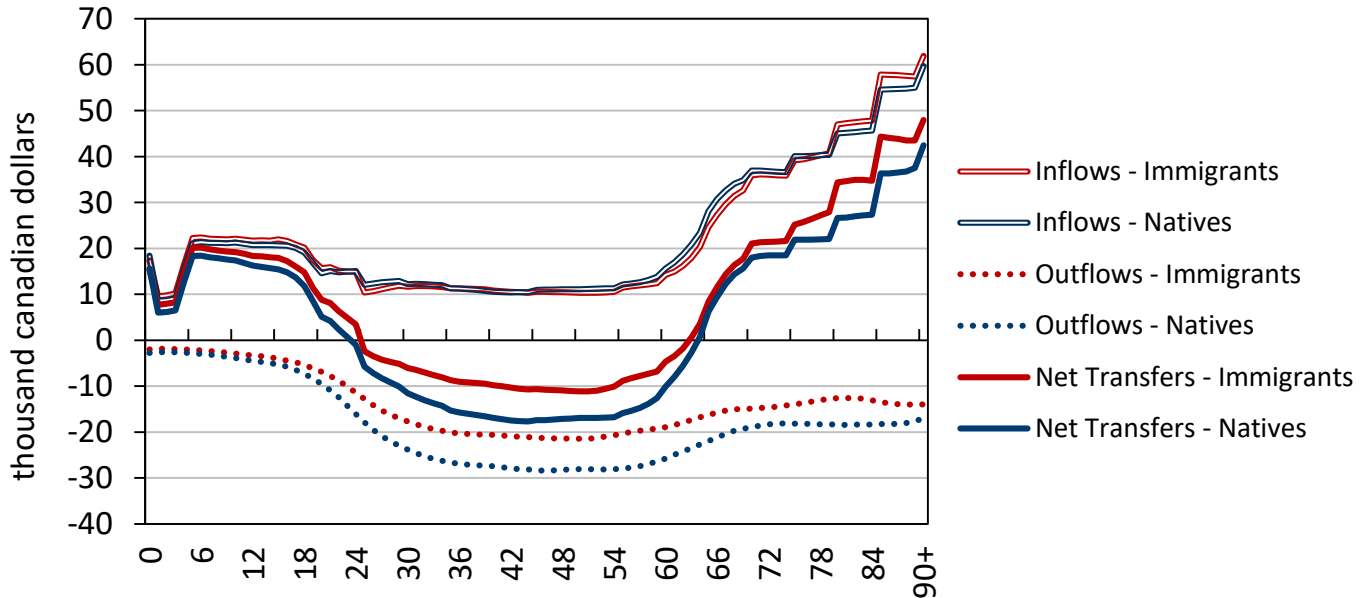
3°) Per capita age profiles

- Surveys (SHS, SLID, CIS) : Cash transfers, outflows (Contributions to social insurance plans, Direct taxes from persons, Direct taxes from corporations and government business enterprises, Taxes on products and imports, other).
- Administrative data :
 - Education : number of students by age (census).
 - Health : number of visits to hospitals, family doctors, and specialists (CCHS) : *to be improved if possible*.
- “Other public consumption” : equality among individuals.

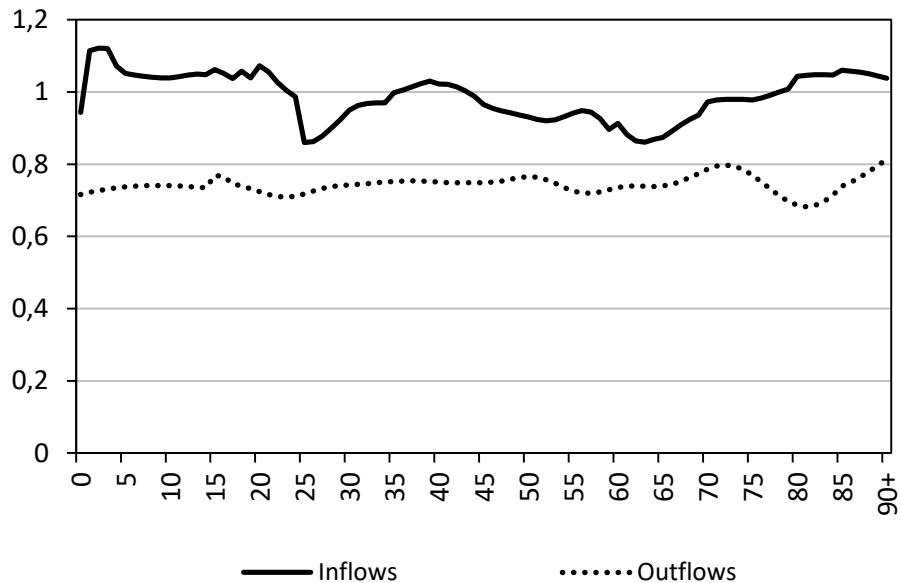
Aggregate public transfers in 2015, all age groups

	Canada	Natives	Immigrants	Natives	Immigrants
Population in 2015 (millions)	35,7	26,6	9,1	74,4%	25,6%
Public Transfer Inflows (millions C\$)	648 173	478 204	169 969	73,8%	26,2%
Public Transfer outflows (millions C\$)	636 289	485 325	150 965	76,3%	23,7%
Net Public Transfers (millions C\$)	11 884	-7 120	19 004		

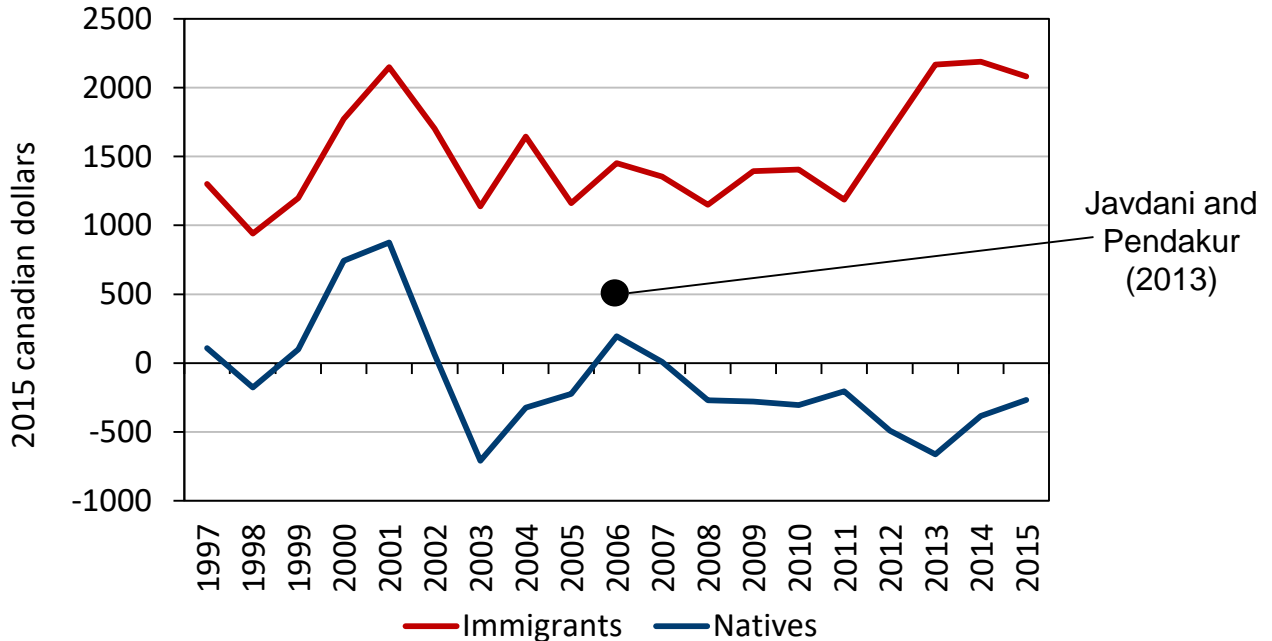
Per Capita public transfers in 2015, all age groups



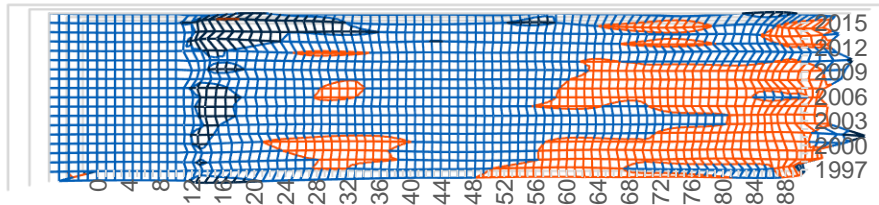
Ratio of per capita public transfers inflows and outflows (immigrants / natives) by age in 2015



Per Capita net public transfers from 1997 to 2015, all age groups



Per capita public transfer outflows of natives at age a /
Per capita public transfer outflows of immigrants at age a

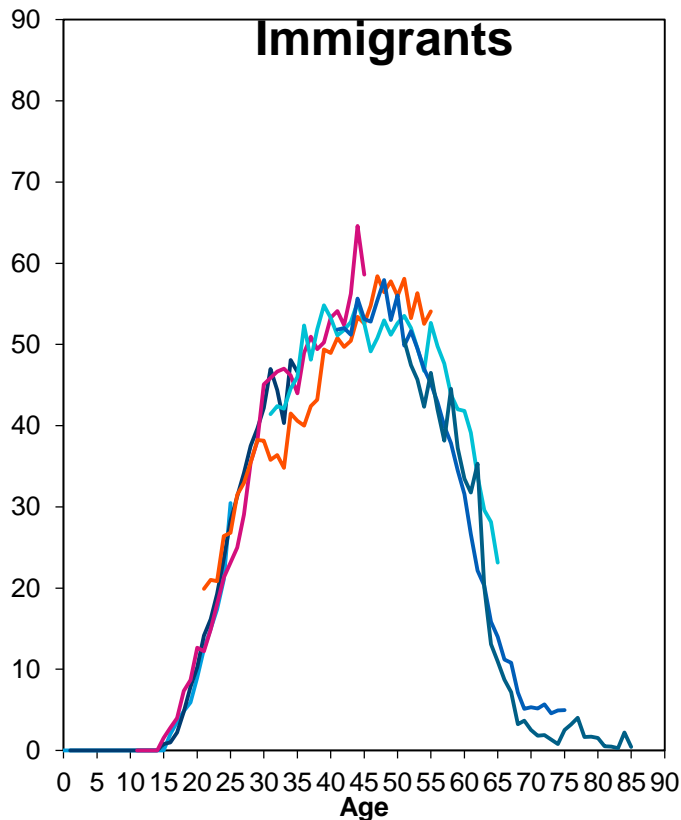
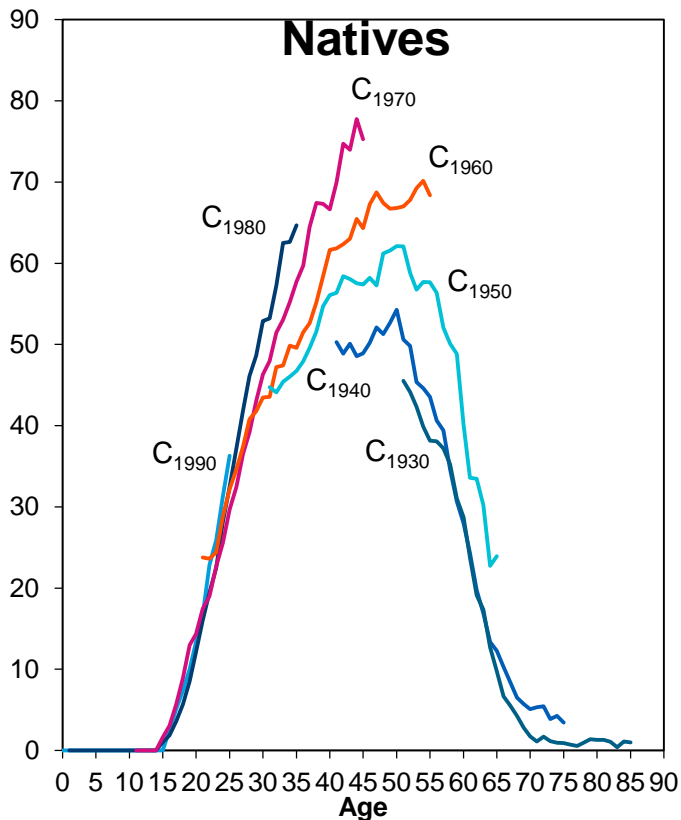


▣ 1,4-1,6

▣ 1,2-1,4

▣ 1-1,2

Per capita age profiles of labour income by cohorts from 1981 to 2015 (C\$ 2015)



Next steps :

- Improve our distribution keys, especially for health expenditure.
- Explicit our hypothesis in comparison with previous studies.
- Explain more precisely why labour income and thus contributions stagnated over the last 40 years.