



# **PCERII Funded Research**

## **Progress Report**

### **Shifting Origins, Shifting Labour Markets: Trends in the Occupational Attainment of Immigrants to Canada**

Richard Wanner

*University of Calgary*

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### **1. Statement of the Research Problem**

The funded research uses unit-record data from Statistics Canada's General Social Survey and the Census of Canada to determine the extent to which the opportunities afforded immigrants in Canada's labour market are equivalent to the opportunities of the Canadian born, given equivalent human capital endowments. I am studying trends in the occupational attainment process to determine the extent to which immigrants, particularly immigrants in urban labour markets, have matched the occupational attainments of native-born men and women. This project not only updates earlier research on this issue but goes beyond it by determining the effect of immigrant enclave and peripheral labour market employment in Canada on the mobility opportunities of immigrants. Rather than simply determining the extent to which immigrant status and country of origin are associated with occupational level, the analysis examines differences in the process by which years of schooling and educational credentials are converted into occupational standing and the impact of both self-employment and the availability of co-ethnic employment.

### **2. Statement of the Research Methodology**

The research design employed in the project involves the secondary analysis of nationally representative data collected by Statistics Canada. The first round of analysis is based on OLS regression models estimating effects of educational attainment, labour force experience in both Canada and abroad, and language proficiency on occupational status of first job and earnings with controls for marital status, the presence of other adults and children in the household, citizenship, and size of place. Since the main question in that analysis concerns differences in returns to human capital across country of origin groups, my major focus is on interactions between country of origin and educational attainment. This individual-level analysis is supplemented by a multi-level model which estimates the effects of prejudice against country of origin groups and level of economic development of country of origin on returns to education in the form of earnings and occupational status.

To study trends in the occupational attainment of immigrants, I use a research design that permits both the comparison of immigrant attainments to those of the native born over the course of the career and across new waves of immigrant cohorts between 1971 and 1991. Under this design, I focus on those persons immigrating in 1971 or before who are age 25 to 34 in the 1971 census. A sample of this group is then observed in the 1981 census, when they are age 35 to 44, and in the 1991 census, when they are aged 45-54. Change in the opportunities of succeeding waves of immigrants is studied by focussing on those age 25 to 34 in the 1971, 1981, and 1991 censuses. In this way I am able to study both age and period of immigration effects on occupational attainment.

### **3. Research Progress to Date**

To date, the project is, for the most part, on schedule, though problems with the 1986 General Social Survey have forced me to rely more heavily on Census data than originally planned. The necessary data files have been created from the 1971, 1981, and 1991 censuses of Canada, and data on Canadians' attitudes toward various immigrant groups have been acquired from the Department of Canadian Heritage for use in the multilevel model exploring the effect of prejudice on returns to schooling. Several papers have been presented at scholarly conferences, one paper will soon be published, and an MA thesis should be complete by the end of the

current term. As the analysis developed, it became clear to me that, while the focus remains on occupational attainment, I must also pay some attention to earnings as well. This links the research to a large, growing research literature on immigrant earnings attainment in economics and helps to confirm my results for occupational attainment.

#### **4. Findings of Work to Date**

In an initial analysis comparing the occupational and earnings attainments of male immigrants to Canada to those of native-born men to test explanations based on prejudice/ discrimination, competitive market, and national origin-related productivity theories, there is no indication that the returns to human capital among immigrants educated in Canada are any less than those received by the native-born majority. However, I do find that, depending on country of birth, immigrants educated abroad generally receive lower returns to education in the form of both occupational status and earnings than the native born, as well as negligible returns to foreign labour market experience. A macro-level model could detect no effect of a measure of prejudice on the level of returns in the form of status points or earnings. I did, however, find a substantial effect of level of development of country of origin on earnings returns to postsecondary education among immigrants educated abroad.

An analysis examining trends in the occupational attainment of male immigrants suggests that findings reported by others of reduced career mobility among immigrants compared to the native born were accurate. My analysis demonstrates the existence of a “glass ceiling” restricting the career mobility of immigrants arriving in 1971 or earlier, although, consistent with my prior research, this is limited to immigrants educated abroad. Among successive waves of immigrants aged 25 to 34 arriving between 1971 and 1991, lower levels of occupational attainment are concentrated among those educated abroad and originating in Southern Europe and Asia.

#### **5. Policy Implications of the Research**

An understanding of how economic restructuring and the changing origins and composition of immigrant groups to Canada have impacted on immigrant success in the labour market is crucial to the formulation of both policy governing the selection of new immigrants and policy regarding the equitable treatment of immigrants already in Canada. The main policy implication of research completed to this point revolves around the findings of a strong negative effect of level of development of country of origin on earnings returns to postsecondary education in Canada and the low value accorded in the Canadian labour market to experience acquired abroad. While previous research using small samples in specific urban areas has documented the difficulties faced by adult immigrants in gaining recognition for their foreign credentials and experience, my results suggest that the problems are even more widespread than previously supposed. While it is difficult to make a straightforward policy recommendation, it is clear that current employment equity legislation is inadequate to addressing the credential problem faced by immigrants in the Canadian labour force, and perhaps a national system of evaluating and certifying the credentials and experience presented by immigrants educated abroad is called for.

## 6. Staffing for the Conduct of Research

Michelle Ambrose is an M.A. student using project data to complete her thesis. Expected completion data: April, 1999. Ms. Ambrose has been employed half time on the project and has worked largely on creating the database for analysis from census Public Use Microdata Files.

## 7. Dissemination Activities

I have listed below the conference papers, publications, a master's thesis, and manuscripts in progress that have been produced under the project during its first year. Thus far I have presented three conference papers. One of the presented papers is now in press at *Canadian Ethnic Studies*, and a second will be published in a volume which will include chapters examining the occupational and earnings attainments of immigrant groups in approximately twelve countries using precisely the same methods. The M.A. student affiliated with the project, Michelle Ambrose, has made considerable progress on her thesis project, and has contributed enormously to the larger project by producing a longitudinal data file based on data from three census years. She recently presented a paper based on the research. Three additional papers are at various stages of completion and two have now been accepted for presentation at the May meeting of the International Sociological Association Research Committee on Social Stratification in Warsaw, Poland and the June meeting of the Canadian Population Society in Sherbrooke, Quebec. In addition, I have submitted a proposal for a SSHRC grant to take over funding of the project, as well as the larger project of which it is a part, upon termination of the present grant.

### *Conference Papers Presented*

1. Richard A. Wanner. "Profit vs. Prejudice: Estimating Occupational and Earnings Discrimination against Immigrants to Canada." Paper presented at the Calgary Node Conference of the Prairie Centre of Excellence for Research on Immigration and Integration, March 21, 1998.
2. Richard A. Wanner. "Immigration, Ethnicity and Status Attainment in Canada". Paper presented at the XIV World Congress of Sociology, Montreal, July 26- August 1, 1998.
3. Richard A. Wanner. "Prejudice, Profit, Or Productivity: Explaining Returns To Human Capital Among Male Immigrants to Canada." Paper presented at the Metropolis National Conference, Vancouver, BC, January 14-16, 1999
4. Michelle S. Ambrose and Richard A. Wanner. "Trends in the Occupational Attainment of Women Immigrants to Canada, 1971-1991." Paper presented at the 6<sup>th</sup> Annual Gender Symposium, University of Calgary, March 11-12, 1999.
5. Richard A. Wanner. "Trends in the Occupational Attainment of Male Immigrants to Canada, 1971-1991." Paper accepted for presentation at the biannual meeting of the Research Committee on Social Stratification of the International Sociological Association, Warsaw, Poland, May 5-7, 1999.

***Publications***

1. Richard A. Wanner. Forthcoming. "Prejudice, Profit, or Productivity: Explaining Returns to Human Capital among Male Immigrants to Canada." *Canadian Ethnic Studies*
2. Richard A. Wanner. "Immigration, Ethnicity and Status Attainment in Canada." In M.D.R. Evans (ed.), *Immigration, Ethnicity and Social Stratification in Comparative Perspective*. Forthcoming.

***Master's Thesis in Progress***

Michelle Ambrose. *Trends in the Job Segregation of Women Immigrants to Canada, 1971-1991*. Tentative completion data: April, 1999.

***Manuscripts in progress***

1. Richard A. Wanner. "Human Capital in Ethnic Enclaves: Immigrant Entrepreneurship in Canada."
2. Richard A. Wanner. "Trends in Immigrant Career Mobility in Canada, 1973-1994"
3. Richard A. Wanner and Michelle Ambrose. "Trends in the Occupational Attainment of Women Immigrants to Canada, 1971-1991."

**Note:** The list of conference papers and publications here is limited to those based on the PCERII funded research and does not include those based on my other current projects.

**8. Projected Termination Date**

September 30, 1999