

# The Career Earnings Trajectories of Immigrants To Canada, 1966-1996

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# Research Questions

- To what extent are immigrant men and women arriving in Canada between the 1960s and early 1990s able to attain occupations and earnings equivalent to those of the Canadian born, given that these immigrants come increasingly from Asia, Africa, and Latin America and at the same time increasing proportions of them arrive as refugees or members of families?
- Can Canada continue to admit immigrants based on humanitarian considerations and still benefit economically?

## Previous Research

- There is much disagreement over the extent to which more recent immigrants are catching up to the earnings of the Canadian born
- Previous research has used various methods and data and arrived at conflicting conclusions
- Those using cross-sectional data generally find that the earnings of more recent immigrants are unlikely to catch up to those of the Canadian born
- Those using longitudinal data generally find that immigrants, including refugees, are catching up, though economic immigrants catch up faster

## Approach in This Research

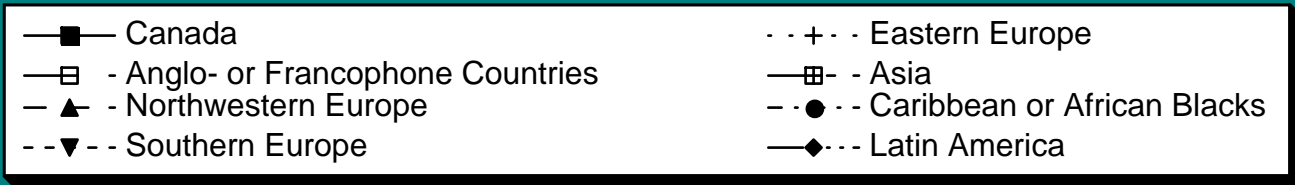
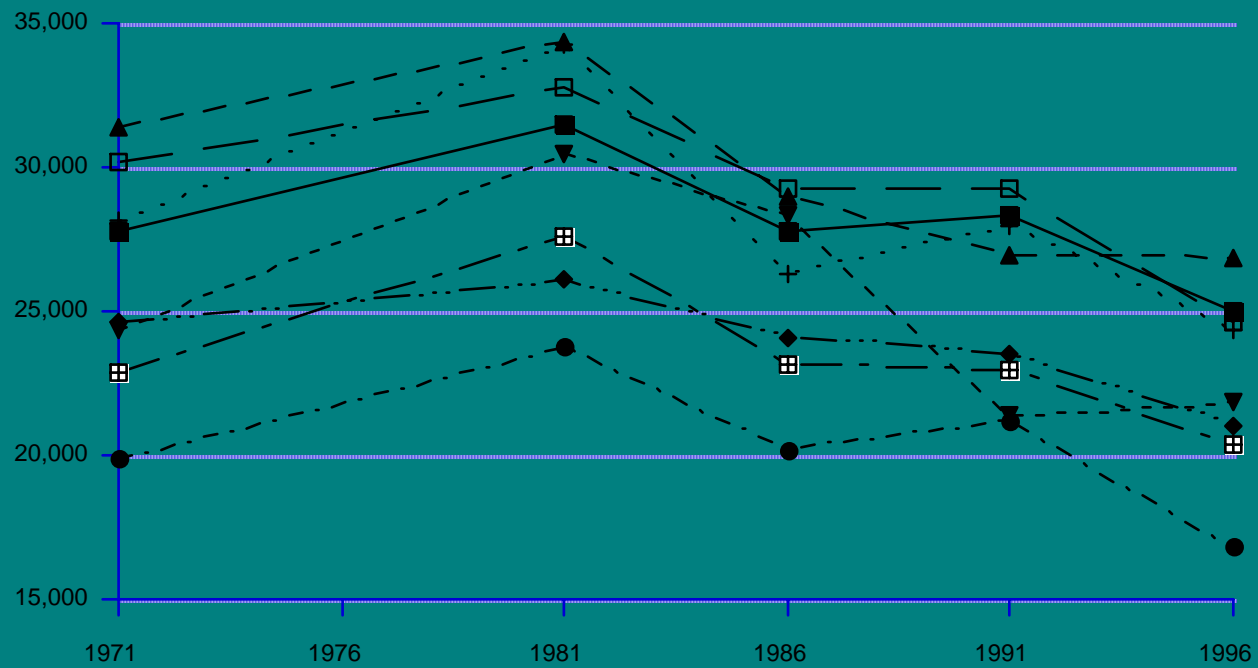
- Use longitudinal data from Censuses of Canada between 1971 and 1996
- Separate immigrants educated primarily abroad from immigrants educated primarily in Canada
- Recognizing differences in their occupational careers, study men and women separately
- Examine early career earnings and occupations separately from progress through the career

# Data and Methods

- Data: merged cohorts from the 1971, 1981, 1986, 1991, and 1996 Censuses of Canada
- 2001 Census data not yet available
- Subpopulation for study
  - Immigrants arriving in Canada prior to each census
  - Employed by others and earning nonzero wages and salaries
  - Compared to non-Aboriginal Canadian-born men and women

# Additional Controls Included in Earnings Models

- Years of Graded Schooling
- Years of Postsecondary Schooling
- Knowledge of Official Languages
- Marital Status
- Urban Residence
- Weeks Worked
- Part-Time Work
- Number of Children (Women's Models)
- Correction for Bias in Labour Force Participation (Women's Models)
- Educated in Canada or Abroad (Sample Partition)



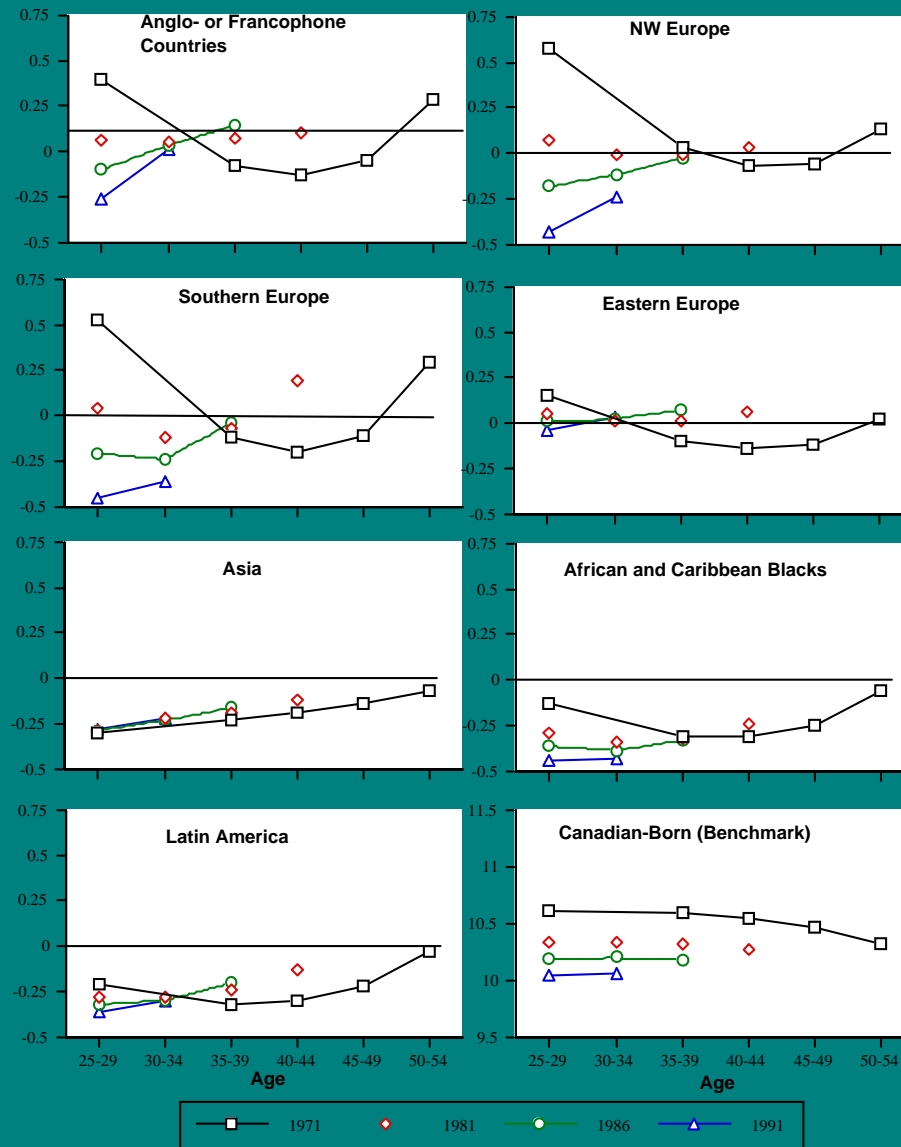


Figure 3. Predicted Earnings Gaps between Immigrant Groups and the Canadian Born by Age, Entry Cohort and Place of Birth for Male Immigrants Educated Abroad

## Conclusions

- Earnings have fallen in more recent labour market entry cohorts among both immigrants and the Canadian born.
- Canada's "vertical mosaic" appears to be largely a system of ethnic inequality among adult immigrants educated abroad.
- Among those with foreign credentials, earnings and occupational status are considerably lower than those of the Canadian born, particularly visible minorities.
- Immigrant earnings tend to converge with those of the Canadian born, and that tendency is stronger in more recent cohorts (exception: female visible minorities, male Blacks).

# Policy Implications

- Provincial and Federal governments must actively promote credential interpretation and recognition.
- Despite increases in refugees and family class immigrants, immigrant earnings continue to converge on those of the Canadian born. Admissions need not be based entirely on economic criteria.