Colour of Money Redux:


Krishna Pendakur, SFU
Ravi Pendakur, U of Ottawa

www.uOttawa.ca
Goal

This paper investigates how minority disparity in Canada has evolved over the period 1991 to 2006.

- We estimate earnings differentials
  - between white and visible minority workers for Canada as a whole as well as Montreal, Toronto and Vancouver.
  - between British-origin workers and 34 ethnic groups (both white and nonwhite).
Summary of Findings

  – This pattern is observed broadly for both men and women, in Canada as a whole and in each of its three largest CMAs, for most Canadian-born visible minority ethnic groups, and for most white and visible minority immigrant groups.

• The decline in relative earnings is large:
  – on the order of 10 percentage points for Canadian-born visible minorities, and
  – on the order of 20 percentage points for both white and visible minority immigrants.
Past research

- A large body of Canadian research shows that visible minority immigrants can face substantial labour market disparity, which may be worsening since 1990. (see for example: Baker and Benjamin, 1995; Hum and Simpson, 1999; Pendakur and Pendakur, 1998; Lian and Matthews, 1998).

- A smaller literature has established that Canadian-born visible minorities also face labour market disparity. (see Stelcner, 2000; Pendakur and Pendakur 2002, 2011).
  - These papers show that both male and female visible minorities face disadvantage, and that certain visible minority ethnic groups drive this disparity, especially those of South-Asian and Black/Caribbean/African origins.
  - Skuterud (2010) finds that earnings gaps can remain even after three generations.

- Our findings reiterate these findings and bring state of knowledge up to the present by assessing the gap from 1991 through to 2006 using a consistent method.
Determinants of labour market outcomes

Selection:
- 25-64
- Working for someone else
- (+) earnings
- Some schooling
- For immigrants: arrived at least 1 year prior to census

Minority: (broad and detailed)

Majority: (White or British origin)

Personal Characteristics:
- Marital Status, household size
- Schooling
- Age
- CMA
- Official Language

Minority Status:
- Years since immigrating * visible minority
- Immigrant*ethnic origin

% Earnings differentials, broad groups, vs white men and women 1990 – 2005

Canada


-0.60 -0.50 -0.40 -0.30 -0.20 -0.10 0.00 0.10

female Canborn vm  female white immig  female vm immig  male Canborn vm  male white immig  male vm immig
% Earnings differentials, broad groups, vs white men and women, 1990 – 2005

Montreal

-0.60
-0.50
-0.40
-0.30
-0.20
-0.10
0.00


female Canborn vm
female white immig
female vm immig
male Canborn vm
male white immig
male vm immig
% Earnings differentials, broad groups, vs white men and women, 1990 - 2005

Toronto

-0.60 -0.50 -0.40 -0.30 -0.20 -0.10 0.00


female Canborn vm female white immig female vm immig
male Canborn vm male white immig male vm immig

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% Earnings differentials, broad groups, vs white men and women, 1990 - 2005

Vancouver

- female Canborn vm
- female white immig
- female vm immig
- male Canborn vm
- male white immig
- male vm immig
% Earnings differentials, detailed ethnic origins, vs British origin men and women, Canada 1990-2005

Selected European origin women

- Czech/Slovak
- Czech/Slovak imm
- Polish
- Polish imm
- Italian
- Italian imm
- Greek
- Greek imm

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% Earnings differentials, detailed ethnic origins, vs British origin men and women, Canada 1990-2005

Selected non-European origin women (1)

- Arab w Asian
- Arab w Asian imm
- S. Asian
- S. Asian imm
- Chinese
- Chinese imm
- SE Asian
- SE Asian imm
% Earnings differentials, detailed ethnic origins, vs British origin men and women, Canada 1990- 2005

Selected non-European origin women (2)
% Earnings differentials, detailed ethnic origins, vs British origin men and women, Canada 1990-2005

Selected European origin men

- Czech / Slovak
- Czech/Slovak imm
- Polish
- Polish imm
- Italian
- Italian imm
- Greek
- Greek imm
% Earnings differentials, detailed ethnic origins, vs British origin men and women, Canada 1990-2005

Selected non-European origin men (1)

- Arab w Asian
- Arab w Asian imm
- S. Asian
- S. Asian imm
- Chinese
- Chinese imm
- SE Asian
- SE Asian imm
% Earnings differentials, detailed ethnic origins, vs British origin men and women, Canada 1990-2005

Selected non-European origin men (2)

- African Black
- African Black imm
- Black
- Black imm
- Caribbean
- Caribbean imm
- Spanish Latin Amer
- Spanish Latin imm

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Conclusions

- That immigrant disparity has increased over time is troubling in the context of Canada’s steadily large intake of immigrants and steady increase in ethnic diversity.
- Canada’s cities are crucibles of superdiversity, and are seen worldwide as roadmaps to a future of cohesive diversity.
- Growing immigrant and visible minority labour market disparity threatens this.
- Increasing disparity faced by minorities born in Canada is troubling because these individuals are educated and socialized in Canada.
  - In comparison with immigrants, these individuals do not face the same barriers related to language knowledge, recognition of credentials, accent penalties or lack of networks.