Discrimination in the Canadian Labour Market: A Closer Look into the Labour Market Performances of Second Generation Immigrants in Canada

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Abstract

This paper examines the labour market performances of second generation immigrants in Canada, in realtion to the white native Canadian. Using the Canadian Public Use Microdata Sample constructed in 2011, I will explore whether second generation immigrants face unobservable, that is, discrimination, effects in the labour market. Since performance in the labour market is considered in twofold: probability of being employed and earnings, the main empirical model will be split into 2 parts to address both issues. Two decomposition models will be used, first to see the explained and unexplained differences of earnings, and second, the explained and unexplained differences of unemployment against the base group. I will also use a regression model to see the impact of being a visible minority on the earnings of second generation immigrants. Ultimately this paper found that the Canadian labour market does not discriminate against second generation immigrants in both earnings and probability of unemployment. Although second generation male immigrants did face about a 7% loss in earnings from being a visible minority.

1. Introduction

As Aydemir and Skuterud (2005) reports, the earnings of immigrants in Canada have been deteriorating over the years, with discounting of foreign labour experience and movement away from European immigrants to Asian immigrants accounting for the majority of this deterioration. Yet, as of 2013, Canada remains as a perennial top destination for potential migrants, according to the United Nation's International Migration Report. It is confounding to believe that immigrants would choose Canada over other countries despite numerous reports of labour market performance discrepancies in immigrants. Although other factors such as safety, education, and change in lifestyle influence the decision of migrating, in the case of Canada where immigrants are evaluated in a point system, in which education and work experience are heavily valued, it would be safe to assume immigrants selected to migrate to Canada are of decent economic background. Hence these other factors influencing the decision to migrate would not be as significant, at least in the short term. Which brings about the main focus of this paper, looking at the long term effects of earnings on immigration, by looking at second generation immigrants and their labour market performance against their native counterparts. Where labour market performance is defined as employment probability and earnings.

The presumed conception of second generation immigrants are their ability to speak their respective native language coupled with their upbringings in the host country, which theoretically should enable them with more options in the labour market. But to what extent is this notion, if at all, true? Rooth and Ekburg (2003) found significant differences in gaps in earnings between second generation immigrants of Sweden and native Swedes, with pronounced differences in earnings when examining visible minorities. Synonymous with Rooth and Ekburg (2003), Silberman et al. (2007) found that second generation immigrants in France originating

from French colonies were at a disadvantage in both employment probability and earnings. Both Rooth and Ekburg (2003) and Silberman et al. (2007) found that considerable portion of earning discrepancy stemmed from unobservable, thus discrimination, effects.

Meanwhile studies with North American sample sets are spare and suggests slight to positive wage gaps between second generation and native workers, depending on the ethnic origin of the parents. Chiswick (1977) suggests that white second generation immigrants have a slight edge with about a 5 percent increase in earnings compared to native Americans, where as Mexican second generation immigrants have a slight disadvantage in the labour market with about 2 to 5 percent lower earnings.

Interestingly, as noted by Aydemir and Sweetman (2006), labour market outcomes of second generation immigrants in Canada and the U.S. differ due to composition of immigrants. The Canadian system appeals to higher educated immigrants with their point system, as alluded earlier, as compared to the American immigration policy which uses the family reunification system. Also due to geographical reasons, more Latino and Mexican immigrants are present in America relative to Canada. Thus the Chiswick (1977) piece might not be totally relevant to my research since it's severely outdated and I will be using a Canadian sample set.

With different regions, there seems to be contrasting results regarding my research question. Second generation immigrants fared far worse in European sample sets as compared to the American sample set. This might be result of second generation immigrants in America generally accumulate more education than their European counterparts (Liu 2011), although Rooth and Ekburg (2003) and Silberman et al. (2007) dismissed that notion by controlling for education. Also, it might not be wise to couple Canadian and American results together due to

differences in composition of second generation immigrants. With little work done in North American and Canadian sample sets in particular, through my research, it will be interesting to see the labour market performances of second generation immigrants with different ethnic compositions in a Canadian context.

2. Literature Review

Examining discrimination effects of second generation immigrants are still somewhat a of a new case, mostly because the population of second generation immigrants in Canada is scarce and not mature enough to enter the labour market. However, there has been such studies carried out on countries with rich immigration ties, simply due to the fact that they are in close proximity to other countries.

One of those countries is Sweden, where Rooth and Ekburg (2003) conducted the study by matching datasets from National Labour Market Board (AMS) and Statistics Sweden (SCB) which enabled them information on individual unemployment and unemployment status, earnings and other individual characteristics respectively. By constructing a dataset that represented the total second generation immigrants in 1998, Rooth and Ekburg (2003) found that children of immigrants had 13.43% of being unemployed if both of their parents are not of European descent, 9.27% if both parents were born in South Europe. Additionally, they found that second generation immigrants having full Western or Eastern Europe background will generate 8.21% and 4.80% increase in earnings respectively while non-European and Southern European second generation immigrants witnessed 24.56% and 16.72% decrease in earnings. Rooth and Ekburg (2003) derived their results through the Oaxaca decomposition method which separates the results to explained and unexplained differences, the latter of which is considered

to be the discrimination effect. For children of immigrants with non-European and Southern European background, the discrimination effect was 18.10% and 7.38% decrease respectively. To conclude, Rooth and Ekburg (2003) suggested that having both parents foreign born magnifies effects earnings of second generation immigrants, as compared to having just one of the parents foreign born. For children of immigrants with Eastern or Western European background, earnings were increased, while any other ethnic backgrounds faced negative effects on earnings. In addition, most of the discrepancy was derived from unobserved differences, with higher discrimination effects on non-European descents.

In a similar context, Silberman et al. (2007) examined the second generation immigrants' labour market performances in France by using a dataset from Generation 98. The dataset was a survey conducted in 2001 for graduates of 1998. It included respondents' perceptions of the sources of discrimination, which was used as an indicator of discrimination in their research. Looking specifically at Maghrebins, Silberman et al. (2007) reports that individuals who claim to be victims of multiple counts of discrimination are more likely to be unemployed. Although their results are significant and consistent with Rooth and Ekburg's (2003) findings, it is noteworthy to consider that their results were derived from a survey conducted only 3 years since the respondents graduated, thus it is to be expected that employment would be lower with little labour market experience. Also, the main observations from the study were second generation immigrants of Maghrebin descent, most of whom are located in the poorest neighbourhoods in France (Wacquant 1996), which would skew exposure to discrimination upwards. Nonetheless, Silberman et al. (2007) was able to replicate similar results to Rooth and Ekburg's (2003) research, hence hinting at severe discrimination in the European labour market.

On the North American side, research on children of immigrants are largely conducted in the US, where they receive an ample amount of Mexican, illegal and legal, immigrants. While studies from a Canadian dataset is scattering, largely due to limited sample of second generation immigrants. Using the 1970 American census, Carliner (1980) examined the wages, earnings and hours worked by first, second and third generation immigrants. Carliner (1980) used unique independent variables such as motivation, ability (productivity), ability to speak English, knowledge of American labour market (business practices), quality adjusted schooling and experience regress wages. He concludes that motivation decreases from first generation to second generation immigrants, by using hours worked as a proxy, but increase in knowledge of American labour markets and English ability outweighs the decrease in motivation to see an improvement in wages from first to second generation immigrants. Carliner's (1980) results also allude to second generation immigrants across 8 different ethnic groups earning drastically more than earlier immigrants, although most of these findings were not significant. Although his base group were earlier immigrants, not white Americans, it is encouraging to see that second generation immigrants were able to earn more than their descendants, and especially interesting to see that motivation decreases from generation to generation. Thus explaining the lower wages of third generation immigrants as compared to second generation immigrants.

On a related note, Allensworth (1997) studied the "1.5 generation" Mexican immigrants' earnings in comparison to US-born Mexicans (thus more than and including up to second generation immigrants) and non-Hispanic whites. The 1.5 generation immigrants is defined as first generation immigrants that has migrated during or before the age of twelve, thus carrying stronger cultural and bilingual potential than their second generation counterparts. By using the American 1990 Public Use Microdata Sample (PUMS) for states nearby the Mexican border and

including only individuals aged 25-35, Allensworth (1997) found that 1.5 generation immigrants earn about as much as US-born Mexicans. Also, she found that earnings of first generation Mexican immigrants were significantly less than US-born Mexicans, however that gap gradually decreased with years in the labour market. Although it was not the focus of the study, through controlling for language proficiency, education, age and legal status, Allensworth (1997) noticed large discrepancies between earnings of non-Hispanic white and Mexican-origin college graduates.

With studies of labour market performance of second generation immigrants still in its infancy, early reports indicate somewhat consistent results. Children of immigrants are better off than their parents but still face moderate to strong discrimination effects, especially those that are visible minorities. However since most of the studies use a dataset that is not synonymous with a Canadian sample set, due to differences in ethnic composition, it is hard to infer much of anything in a Canadian context. If the pattern holds true, my hypothesis would be that the second generation immigrants would face a small decrease in earnings as compared to native Canadians, while those who are visible minorities would face a moderate discrimination effect which would lead to a moderate decrease in earnings. It is also important to note that different regions of the world, and even at a local level, would vary in the level of discrimination in the labour market. As such, the Swedes might discriminate more against second generation immigrants just due to their population composition having less visible minorities than the US. And the state of Los Angeles might be more accepting of potential Mexican employees rather than the state of Washington.

3. Data and Descriptive Evidence

For my research I will be using the 2011 Canadian Public Use Microdata Sample. The extraction of data will be twofold, one for the earnings of second generation immigrants while keeping the white Canadian natives as the base group and another for the probability of unemployment also using the same base group. The extraction of these data will differ since for the earnings, only observations who has worked full time and more than or equal to 40 weeks in 2010 will be kept. While such restrictions will be relaxed on the dataset of unemployment to allow for unemployed and self-employed individuals. For both datasets, only people of working age will be included.

Tables 1 and 2 outline the descriptive statistics for both male and female second generation immigrants with the list of independent variables, separating for parent composition (one or both foreign parents) and the base group. The yearly logarithm earnings for second generation immigrants are slightly higher than the base group, which could be a product of slightly higher graduates with Bachelor's degrees. It interesting to note that there are about 24% visible minorities (in males, but the pattern continues for females as well) in second generation immigrants with both parents being foreign born while only about 4% of visible minorities exists in second generation immigrants with one foreign born parent, however the earning of the former group is slightly higher than the latter. This could be a case of ambiguity when reporting for a visible minority, where a person with half Caucasian and half Asian background might report not report themselves as a visible minority. Age groups throughout each categories of observation is consistent.

Tables 3 and 4 outline the descriptive statistics for both male and female second generation immigrants for unemployment. There are no noticeable differences in unemployment levels across the second generation immigrants and the base group for males, however there is slightly more unemployed second generation immigrants with a Bachelor's degree than the white native group. And the same could be said for the female descriptive statistics as well.

4. Model and Method

For the earnings of second generation immigrants against the native white Canadians, I will use the Becker's model of discrimination, which is an Oaxaca decomposition method used to predict the explained and unexplained differences in earnings. My empirical model will be very much like the one used in Rooth and Ekburg's (2003) study, as shown below.

$$\ln E^N - \ln E^{SG} = (X^N \beta^N) - (X^{SG} \beta^{SG}) \tag{1}$$

$$= (X^N \beta^N - X^{SG} \beta^N) + (X^{SG} \beta^N - X^{SG} \beta^{SG}) \tag{2}$$

Where $\ln E^N$ and $\ln E^{SG}$ are yearly logarithm of earnings of natives and second generation immigrants respectively, X^i and β^i represents the corresponding vector of explanatory variables and coefficients respectively for a given group i, where i can be second generation immigrants or natives. Equation (1) can be expanded to equation (2) where the first parentheses represents the observed differences in earnings, which is the differences in earnings due to explained factors from the independent variables. The second parentheses from equation (2) is an estimate of unexplained differences, thus discrimination effects in short.

In addition to the decomposition method, I will also use a regression model to further breakdown the effects of independent variables on earnings. The regression model will use the

9

same independent variables as the decomposition model, as such the regression model will look like below,

$$\ln E^{SG} = X^{SG} \beta^{SG} + \mu \qquad (3)$$

Where μ is the error term. The regression will use white native Canadians in the age group 25-29 with a Bachelor's degree as a base group.

In addition I will use another decomposition model to estimate the differences in unemployment between the natives and the second generation immigrants. This model will closely resemble the model I have used earlier as depicted by equation (1) and (2), expect the dependent variable will now be a dummy variable for unemployment, which will predict the probabilities of unemployment for both groups i. Like the first decomposition model, the unemployment decomposition will be able to separate the differences into explained and unexplained differences, as shown below.

$$U^N - U^{SG} = (X^N \alpha^N) - (X^{SG} \alpha^{SG}) \qquad (4)$$

$$= (X^N \alpha^N - X^{SG} \alpha^N) + (X^{SG} \alpha^N - X^{SG} \alpha^{SG}) \qquad (5)$$

The independent variables used in equation (4) will be the same as the first decomposition model in equation (1), hence the same vector of independent variables X^i, while the vector of coefficients will differ, with the new vector of coefficients being represented as α^i.

4.1 Variables

As mentioned before, logarithm of yearly earnings and unemployment indicator (dummy variable) will be the dependent variables respectively, with education, age, visible minority indicator, foreign father indicator, and marital status indicator as the independent variables.

10

Education will be broken down to 8 dummy variables, one for each education level: less than high school, high school graduate, trade school graduate, college graduate, achievement of a Bachelor's degree, special degree[1], Master's degree, and doctorate degree. Visible minority indicator is a dummy variable used to indicate if the observation is a visible minority and similarly with marital status, which is a dummy to indicate if the observation is married at the time. Foreign father indicator is a dummy variable only used for second generation immigrants with one foreign born parent, since with both foreign born parents, it will also indicate a foreign born father. Age is broken into 11 groups, used to represent the working population. Age will be used as a proxy for labour market experience since no such variable was constructed by the census. Assuming observations are able to find work after entering the labour market, age is an appropriate proxy as the older observations has accumulated more experience than their younger counterparts.

Since I will be using Bachelor's degree as the base group, I suspect that education levels superior to Bachelor's degree (special, Master's, doctorate degrees) will have higher positive coefficients on earnings, while education levels less than Bachelor's degree would face negative coefficients. Similarly for age, I suspect that any age group above the base (25-29) will have a higher positive coefficient, while the only age group lower will have a negative coefficient. As for the other dummy variables, I hypothesize that visible minorities and second generation immigrants with a foreign born father will both have a negative impact on earnings, while married individuals should see a positive impact on earnings.

5. Discussion of Results

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[1] defined as degree in medicine, dentistry, veterinary medicine, or optometry

As outlined in Table 5, my hypothesis mostly holds true as education levels and age groups below the base group has negative returns to earnings while anything higher yields a positive return. For married individuals, the coefficients of being married were significantly larger for males than females, which makes sense, due to greater domestic responsibilities a woman might face in a family. However, unlike my hypothesis, visible minorities and foreign born fathers had little negligible effects on earnings, but most of these findings were insignificant. Only one significant coefficient was found in my regression for visible minorities, which was visible minority males with both foreign parents, which suggested that they faced about a 7% decline in earnings due to being a visible minority.

However, the earnings decomposition model confounds this result by reporting, across all gender and parent compositions in second generation immigrants, favourable explained and unexplained differences (the coefficients' signs were flipped to better indicate favourable, positive and unfavourable, negative, coefficients). However it is noteworthy that out of all groups, second generation males with both foreign born parents experienced the lowest unexplained differences, hence were discriminated the most out of the four groups.

As evidenced by table 6, the results from unemployment decomposition model suggested that there were no differences in the unemployment levels of natives and second generation immigrants across both genders and parent composition. There were also no observed and unobserved differences[2] in which suggests, in combination with the earnings and unemployment decompositions, there are no or negligible discrimination effects in the Canadian labour market. Especially since the two decomposition models are statistically significant at a 1% level.

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[2] These results all had a coefficient of 0.00 and were not significant, hence they were left out of table 5.

Through these results, it seems like the benefits of being culturally diverse and the potential ability to be bilingual with second generation immigrants are not imminent. However with the Canadian immigration system using a point based system favouring the highly educated migrants, it seems like their children are benefiting in the labour market through increase in education attainment in relation to their native counterparts. This notion is evidenced by table 5 which suggests that children of two foreign born parents have a higher explained difference in both genders than children of one foreign born parent. The unexplained difference even suggests that second generation immigrants are more favoured than their white native Canadian counterparts.

6. Conclusion

My research suggests that the discrimination effects for second generation immigrants in Canada are actually negative, meaning that they are preferred in the labour market over native Canadians. However it is possible that since most of the second generation immigrants were of Caucasian descent, it did not reflect second generation immigrants that were visible minorities. This can explain why second generation male immigrants with both foreign parents had about a 7% decrease in wages from being a visible minority.

In context of others, my research was consistent with others' findings. Rooth and Ekburg (2003) found that Eastern and Western European second generation immigrants had a strong labour market performance than the native Swedes, while other ethnic origins were discriminated against. Likewise I found that the children of Caucasian immigrants do relatively well, while visible minorities do not, for reasons explained above. Although, Rooth and Ekburg (2003) and Silberman and Alba (2007) found large wage gaps and discrimination effects for visible

minorities, I was only able to find one moderate wage discrepancy for males with two foreign born parents. Unlike Rooth and Ekburg (2003) who also found discrepancies in unemployment in visible minorities, I was not able to find such differences in the Canadian labour market.

The fact that the Canadian second generation immigrants are not discriminated against in the labour force can allude to how accepting Canada is to ethnic diversity, as compared to Sweden, France or even the US. Or it can reflect how the labour market is adjusting to accommodate for the growth of second generation immigrants, seeing as the other papers I have examined are not as recent as the dataset I have used in my research. Or a factor of both. Due to limited sample size of second generation immigrants, I was unable to separate visible minorities into ethnic groups like South Asian, East Asian, African, and European, since they would not lend creditable results. However as the population of the second generation immigrants matures in the labour market, these visible minority groups will inevitably grow and the results would be interesting to see. Another limitation to my study is I was unable to observe second generation immigrants that works abroad, if they were proficient in their home language, it is possible to work abroad for increased earnings.

7. References

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8. Tables

Table 1. Descriptive Statistics – Canadian Census 2011

Male	One Foreign Born Parent		Both Parents Foreign Born		Native Canadians	
	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.
Logarithm Yearly Earnings	10.89	0.81	10.91	0.81	10.82	0.79
Education Groups						
Less than high school	0.08	0.27	0.06	0.23	0.12	0.32
High school	0.25	0.43	0.23	0.42	0.24	0.43
Trade	0.14	0.35	0.12	0.32	0.19	0.39
College	0.25	0.43	0.28	0.45	0.24	0.43
Bachelor's Degree	0.20	0.40	0.24	0.43	0.15	0.36
Special Degree	0.01	0.08	0.01	0.09	0.01	0.07
Master	0.05	0.22	0.05	0.22	0.04	0.20
Doctorate	0.01	0.10	0.01	0.09	0.01	0.10
Married	0.54	0.50	0.56	0.50	0.51	0.50
Visible Minority	0.04	0.20	0.24	0.43	0.00	0.00
Foreign Father	0.59	0.49	1.00	0.00	-	-
Age group						
Age 20 to 24	0.06	0.24	0.05	0.23	0.06	0.24
Age 25 to 29	0.12	0.33	0.12	0.32	0.11	0.31
Age 30 to 34	0.13	0.34	0.15	0.36	0.11	0.31
Age 35 to 39	0.13	0.34	0.15	0.35	0.11	0.32
Age 40 to 44	0.11	0.31	0.14	0.35	0.12	0.32
Age 45 to 49	0.12	0.32	0.14	0.35	0.14	0.35
Age 50 to 54	0.11	0.31	0.13	0.34	0.14	0.35
Age 55 to 59	0.10	0.30	0.06	0.25	0.11	0.31
Age 60 to 64	0.07	0.26	0.02	0.15	0.06	0.24
Age 65 to 69	0.02	0.14	0.01	0.09	0.02	0.13
Age 70 to 74	0.01	0.08	0.01	0.07	0.01	0.06
Total Observations	11248		12771		112847	

Table 2. Descriptive Statistics – Canadian Census 2011

Female	One Foreign Born Parent		Both Parents Foreign Born		Native Canadians	
	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.
Logarithm Yearly Earnings	10.66	0.74	10.70	0.73	10.59	0.71
Education Groups						
Less than high school	0.05	0.23	0.29	0.17	0.07	0.26
High school	0.24	0.43	0.20	0.40	0.23	0.42
Trade	0.06	0.24	0.05	0.21	0.09	0.28
College	0.32	0.47	0.33	0.47	0.33	0.47
Bachelor's Degree	0.25	0.43	0.31	0.46	0.21	0.41
Special Degree	0.01	0.07	0.01	0.09	0.00	0.06
Master	0.06	0.24	0.07	0.25	0.05	0.22
Doctorate	0.01	0.08	0.01	0.08	0.01	0.08
Married	0.47	0.50	0.51	0.50	0.47	0.50
Visible Minority	0.04	0.20	0.25	0.44	0.00	0.00
Foreign Father	0.60	0.49	1.00	0.00	-	-
Age group						
Age 20 to 24	0.06	0.24	0.06	0.23	0.06	0.23
Age 25 to 29	0.13	0.33	0.13	0.34	0.11	0.31
Age 30 to 34	0.11	0.32	0.15	0.36	0.11	0.31
Age 35 to 39	0.11	0.31	0.14	0.34	0.11	0.31
Age 40 to 44	0.12	0.32	0.14	0.34	0.13	0.33
Age 45 to 49	0.13	0.34	0.15	0.36	0.16	0.36
Age 50 to 54	0.14	0.34	0.14	0.35	0.16	0.36
Age 55 to 59	0.10	0.31	0.06	0.24	0.11	0.32
Age 60 to 64	0.07	0.25	0.02	0.14	0.05	0.22
Age 65 to 69	0.02	0.13	0.01	0.08	0.01	0.11
Age 70 to 74	0.00	0.06	0.00	0.05	0.00	0.05
Total Observations	8923		10390		90041	

Table 3. Descriptive Statistics – Canadian Census 2011

Male	One Foreign Born Parent		Both Parents Foreign Born		Native Canadians	
	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.
Unemployment	0.08	0.27	0.08	0.27	0.08	0.27
Education Groups						
Less than high school	0.19	0.39	0.16	0.37	0.21	0.41
High school	0.27	0.44	0.27	0.45	0.25	0.43
Trade	0.13	0.33	0.10	0.30	0.17	0.37
College	0.20	0.40	0.22	0.42	0.20	0.40
Bachelor's Degree	0.16	0.36	0.18	0.38	0.12	0.33
Special Degree	0.01	0.07	0.01	0.09	0.00	0.07
Master	0.04	0.20	0.04	0.19	0.03	0.18
Doctorate	0.01	0.09	0.01	0.09	0.01	0.09
Married	0.46	0.50	0.42	0.49	0.46	0.50
Visible Minority	0.05	0.23	0.33	0.47	0.00	0.00
Foreign Father	0.60	0.49	1.00	0.00	-	-
Age group						
Age 20 to 24	0.09	0.29	0.11	0.31	0.08	0.28
Age 25 to 29	0.09	0.29	0.09	0.29	0.08	0.27
Age 30 to 34	0.08	0.27	0.10	0.31	0.08	0.26
Age 35 to 39	0.08	0.27	0.09	0.29	0.07	0.26
Age 40 to 44	0.07	0.25	0.09	0.29	0.08	0.27
Age 45 to 49	0.07	0.26	0.10	0.29	0.10	0.30
Age 50 to 54	0.08	0.26	0.09	0.29	0.11	0.31
Age 55 to 59	0.08	0.27	0.05	0.22	0.10	0.29
Age 60 to 64	0.09	0.29	0.03	0.16	0.08	0.28
Age 65 to 69	0.06	0.24	0.02	0.15	0.06	0.24
Age 70 to 74	0.06	0.23	0.03	0.18	0.40	0.20
Total Observations	25306		27412		239529	

Table 4. Descriptive Statistics – Canadian Census 2011

Female	One Foreign Born Parent		Both Parents Foreign Born		Native Canadians	
	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.
Unemployment	0.07	0.25	0.07	0.26	0.07	0.25
Education Groups						
Less than high school	0.16	0.37	0.14	0.34	0.19	0.39
High school	0.28	0.45	0.27	0.44	0.27	0.44
Trade	0.06	0.24	0.05	0.21	0.08	0.28
College	0.26	0.44	0.27	0.44	0.26	0.44
Bachelor's Degree	0.18	0.29	0.22	0.42	0.15	0.36
Special Degree	0.00	0.06	0.01	0.08	0.00	0.06
Master	0.04	0.20	0.05	0.21	0.03	0.18
Doctorate	0.00	0.07	0.00	0.07	0.00	0.07
Married	0.44	0.50	0.44	0.50	0.45	0.50
Visible Minority	0.05	0.22	0.32	0.47	0.00	0.00
Foreign Father	0.61	0.49	1.00	0.00	-	-
Age group						
Age 20 to 24	0.09	0.29	0.10	0.31	0.08	0.27
Age 25 to 29	0.08	0.28	0.09	0.29	0.08	0.27
Age 30 to 34	0.08	0.27	0.10	0.30	0.08	0.28
Age 35 to 39	0.08	0.26	0.10	0.30	0.07	0.26
Age 40 to 44	0.07	0.26	0.09	0.29	0.08	0.28
Age 45 to 49	0.07	0.27	0.10	0.30	0.10	0.30
Age 50 to 54	0.08	0.27	0.09	0.29	0.11	0.31
Age 55 to 59	0.08	0.27	0.05	0.22	0.10	0.30
Age 60 to 64	0.08	0.28	0.03	0.16	0.09	0.28
Age 65 to 69	0.07	0.26	0.03	0.16	0.06	0.25
Age 70 to 74	0.06	0.24	0.04	0.19	0.05	0.21
Total Observations	26377		27391		246871	

Table 5. Regression of logarithm yearly earnings of second generation immigrants including explained and unexplained differences, expressed in percentage points

	Female		Male	
Parent Composition	One Foreign	Both Foreign	One Foreign	Both Foreign
Less than high school	-0.72***(0.03)	-0.66***(0.04)	-0.49***(0.03)	-0.54***(0.03)
High School	-0.48***(0.02)	-0.50***(0.02)	-0.40***(0.02)	-0.43***(0.02)
Trade	-0.53***(0.03)	-0.55***(0.03)	-0.27***(0.02)	-0.36***(0.02)
College	-0.31***(0.02)	-0.34***(0.02)	-0.22***(0.02)	-0.25***(0.02)
Bachelor's Degree (Base)	-	-	-	-
Special Degree	0.15 (0.11)	-0.01 (0.07)	0.32***(0.09)	0.18**(0.07)
Masters	0.14***(0.03)	0.11***(0.03)	0.20***(0.03)	0.17***(0.03)
Doctorate	0.15*(0.09)	0.21**(0.08)	0.26***(0.07)	0.18**(0.07)
Married	0.04***(0.02)	0.03**(0.01)	0.19***(0.02)	0.21***(0.01)
Visible Minority	0.03 (0.04)	-0.00 (0.02)	0.05 (0.04)	-0.07*** (0.02)
Foreign Dad	-0.00 (0.01)	-	-0.02 (0.01)	-
Age 20 to 24	-0.21***(0.03)	-0.34***(0.03)	-0.20***(0.03)	-0.28***(0.03)
Age 25 to 29 (Base)	-	-	-	-
Age 30 to 34	0.22***(0.03)	0.20***(0.02)	0.25***(0.03)	0.32***(0.02)
Age 35 to 39	0.31***(0.03)	0.33***(0.03)	0.39***(0.03)	0.39***(0.03)
Age 40 to 44	0.46***(0.03)	0.43***(0.03)	0.46***(0.03)	0.48***(0.03)
Age 45 to 49	0.45***(0.03)	0.49***(0.03)	0.51***(0.03)	0.51***(0.03)
Age 50 to 54	0.52***(0.03)	0.53***(0.03)	0.50***(0.03)	0.54***(0.03)
Age 55 to 59	0.45***(0.03)	0.46***(0.03)	0.44***(0.03)	0.48***(0.03)
Age 60 to 64	0.34***(0.03)	0.39***(0.05)	0.30***(0.03)	0.38***(0.03)
Age 65 to 69	0.262***(0.06)	0.335***(0.08)	0.00 (0.05)	0.08 (0.07)
Age 70 to 74	0.11 (0.13)	0.22*(0.13)	-0.31***(0.09)	-0.08 (0.10)
Explained Difference	0.03***(0.00)	0.07***(0.00)	0.04***(0.00)	0.09***(0.00)
Unexplained Difference	0.05***(0.01)	0.05***(0.01)	0.04***(0.01)	0.01***(0.01)
Total Difference	0.08***(0.01)	0.12***(0.01)	0.08***(0.01)	0.10***(0.01)
Constant	10.61***(0.02)	10.63***(0.02)	10.71***(0.03)	10.70***(0.02)
Observations	8,923	10,390	11,248	12,771

Standard errors in parentheses *** p<0.01, ** p<0.05, * p<0.1

Table 6. Differences in predicted unemployment in white Canadians and second generation immigrants, expressed in percentage points

	Females		Males	
Parent Composition	One Foreign	Both Foreign	One Foreign	Both Foreign
Predicted Unemployment of Base Group	0.07***(0.00)	0.07***(0.00)	0.08***(0.00)	0.08***(0.00)
Predicted Unemployment	0.07***(0.00)	0.07***(0.00)	0.08***(0.00)	0.08***(0.00)
Total Difference	0.00 (0.00)	0.00**(0.00)	0.00**(0.00)	0.00 (0.00)
Observations	157,760	159,561	169,602	171,612

Standard errors in parentheses *** p<0.01, ** p<0.05, * p<0.1

Table 6. Differences in predicted unemployment in white Canadians and second generation immigrants, expressed in percentage points

Parent Composition	Females		Males	
	One Foreign	Both Foreign	One Foreign	Both Foreign
Predicted Unemployment of Base Group	0.07***(0.00)	0.07***(0.00)	0.08***(0.00)	0.08***(0.00)
Predicted Unemployment	0.07***(0.00)	0.07***(0.00)	0.08***(0.00)	0.08***(0.00)
Total Difference	0.00 (0.00)	0.00**(0.00)	0.00**(0.00)	0.00 (0.00)
Observations	157,760	159,561	169,602	171,612

Standard errors in parentheses *** $p<0.01$, ** $p<0.05$, * $p<0.1$