Research on Immigration and Integration in the Metropolis

Working Paper Series

No: 96-01

The Economic Peformance of Jewish Immigration to Canada: A Case of Double Jeopardy

James W. Dean & Don J. DeVoretz, Simon Fraser University

July 1996

West Mall Complex, Room 4653
Simon Fraser University
Burnaby, B.C. Canada V5A 1S6
Tel: (604) 291-4575 Fax: (604) 291-5336

email: riim@sfu.ca
website: http://www.sfu.ca/riim

RIIM

Research on Immigration and Integration in the Metropolis

The Vancouver Centre is funded by grants from the Social Sciences and Humanities Research Council of Canada, Citizenship & Immigration Canada, Simon Fraser University, the University of British Columbia and the University of Victoria. We also wish to acknowledge the financial support of the Metropolis partner agencies:

- Health Canada
- Human Resources Development Canada
- Department of Canadian Heritage
- Department of the Solicitor General of Canada
- Status of Women Canada
- Canada Mortgage and Housing Corporation
- Correctional Service of Canada
- Immigration & Refugee Board

 For more information contact the Co-Directors of the Centre, Dr. Don DeVoretz, Department of Economics, SFU (e-mail: devoretz@sfu.ca) or Dr. David Ley, Department of Geography, UBC (e-mail: davidley@unixg.ubc.ca).

CENTRE FOR EXCELLENCE: IMMIGRATION
Working Paper Series

The Economic Performance of Jewish Immigrants to Canada: A Case of Double Jeopardy?

James W. Dean and Don J. DeVoretz
Department of Economics
Simon Fraser University
Burnaby, B.C. Canada V5A 1S6
email: jdean@sfu.ca and devoretz@sfu.ca

Feb. 1997 (revised)

We would like to note with appreciation the programming assistance of P. Sheldon and J. Heinrichs. In addition, incisive comments by S. Globerman improved the paper. The authors of course are solely responsible for the contents.

1.0 Introduction

The purpose of this paper is to ask whether Jewish immigrants to Canada are doubly different: first by virtue of being Jewish, and second by virtue of being foreign-born. More precisely, we will ask whether their wages and several other economically pertinent characteristics differ significantly from the Canadian-born population, *circa* 1991.

As a by-product of this exercise, we will review some of the salient dimensions of recent Canadian immigration. The absolute numbers of immigrants has fluctuated widely over the last 30 years, ranging from 222,000 in 1967 down to 84,000 in 1985, and back up to 251,000 in 1993. At their peak, these numbers represented more than 1 percent of the base population. This may seem small by Israeli standards, where the proportion in recent years has ranged as high as 5 percent, but it is large enough to have accounted for over sixty percent of Canada's population and labor force growth between 1989 and 1994. Moreover this immigration is large enough to have provoked loud and contentious debate that has reached a crescendo in recent years.

As in Israel, the Canadian debate reflects several concerns. One concern is economic. Simply put, do immigrants contribute in terms of earnings and contributions to the public purse? Or are their earnings at the expense of the native-born? And do they, perhaps, draw more from the public purse than they pay into it? (Akbari, 1989, 1991).

A second concern is social: do immigrants in any sense "disrupt" the prevailing culture? This concern is voiced somewhat *soto voce,* since Canada, like Israel, is a country constituted on principles of tolerance and multiculturalism (Grubel, 1992). But it is much more a part of Canada's current popular consciousness than it has been in the recent past because the ethnic composition of recent immigration has shifted. Whereas in the late 1960s the majority of immigrants arrived from traditional developed areas, mostly Europe and the United States, by the 1980s most were arriving from developing countries, mostly Asia and the Caribbean. Because of their visibility it has been tempting to blame a wide range of new-found social and economic ills on their new-found presence.

This paper will not address social and cultural concerns. We are, however, asking whether ethnicity (i.e. Jewish or non-Jewish as self-defined by census responses) is related to economic performance and other characteristics. We are thus implicitly opening part of a Pandora's box by entertaining the possibility that a non-economic admission criterion, such as ethnicity (or, perhaps, country-of-origin, ethnicity's correlate in some contexts), may affect economic performance. This issue is surely relevant to Israel, where, in contrast to Canada, the dominant admission criterion is, in fact, religious.

2.0 Barometers of immigrant success

Research on the economic performance of recent immigrants to Canada has focused on such characteristics as age, education, marital status, language, entry category and intended occupation. *Ceteris paribus*, earnings increase with age, with years since landing in Canada , and with education. Married immigrants earn more than unmarried, as do their counterparts in the general population (Fagnan, 1995). Moreover, immigrants entering Canada who can speak either English or French have a dramatic head start over others.

"Entry category" refers to categories defined by Canada's *Immigration Act of 1976*, which specifies that potential entrants may apply under an "economic" class, a "family" (unification) class, or as refugees (Akbar and DeVoretz, 1993). Modifications to the Act during the 1980s added to these a "business investor" class. Comparative research on 1981 and 1991 census data (DeVoretz, 1993, Prescott and Wandschneider, 1995, Bloom, et. al., 1995 and Abbot and Beach, 1993) shows that the economic performance of more recent immigrants has deteriorated.

More recent research (Cobey, 1996) notes that when economic-class immigrants are divided into those who entered with pre-arranged employment and those who did not, the former turn out to have fared much better. Even 10 years later, immigrants who landed with pre-arranged employment earned almost 40% more than those who landed without pre-arranged employment. Moreover amongst the latter, the proportion of economic immigrants declaring unemployment insurance income is over 50% higher.

Finally, the "intended occupation" declared by economic class applicants without pre-arranged employment proved a powerful predictor of post-entry earned income (Green, 1995). Managers and/or administrators and engineer/mathematicians earn almost double the incomes of other occupations, and the gap seems appears wider by the end of their first decade in Canada.

These results suggest that much of the economic performance of recent immigrants can be predicted by "human capital" characteristics such as age, education, marital status, language, entry status and intended occupation, without resorting to "cultural" characteristics such religion, ethnicity or country of origin (Coulson and DeVoretz, 1993). The further implication is that immigration policy can effectively pre-select immigrants who will perform well by requiring positive measures of these characteristics, and can therefore afford to be "culture-blind"(Akbar and DeVoretz, 1993).

But what if all or most of these income-enhancing non-cultural characteristics are correlated with cultural characteristics? If so, would it be politically or even morally acceptable for immigration policy to incorporate cultural selection criteria? This is an extremely sensitive question that at this juncture we simply pose but do not in any way attempt to answer. The closest Canada comes to such a policy is to delegate some control

over immigration criteria to the Province of Quebec, which is culturally distinct from the rest of Canada. Israel, by contrast, virtually defines its immigration policy in terms of culture. Suffice it to say that our preliminary findings in this paper are that immigrants to Canada who declared themselves in the 1991 census to be religiously "Jewish" display much higher earned incomes as well as much higher values for each and every income-enhancing characteristic than other immigrants display.

3.0 Data

Our preliminary results are based on samples drawn from 1991 Canadian census data. The populations we chose to sample are all males and females from central and western Canada aged 25 - 65 who reported wage and salary incomes on the census survey. The populations thus exclude persons who solely reported other sources of income such as self-employment, transfers from government, and investments. They also exclude persons who are unemployed, either voluntarily or involuntarily.

We then divided these populations into four unrelated groups, reflecting census respondents' answers to a query about their religious status. Non Jewish Canadian-born (NJCB), Jewish Canadian-born (JCB), Non Jewish Immigrants (NJI) and Jewish Immigrants (JI). We were forced to exclude all persons residing east of the Province of Quebec because the census response for religious status does not distinguish between Jews and a wide variety of unrelated religious groups, reflecting the small size of the Jewish population in Canada's Maritime provinces.

Our sample sizes are one thirty-third of the population in each case. Thus our sample size of 147,334 for NJCB males is drawn from a population thirty three times larger: that is, a population of 4,862,022. Added to the NJCB female population of 4,306,731, this constitutes 9,168,753 persons. Adding in turn the male and female populations for each of the other three categories brings our total population to 11,717,673, or about one third of the total Canadian population of 30 million.

Excluded from our populations are 1) all persons under 25 or over 65; 2) all persons who did not report wage or salary income; (3) all persons residing east of the Province of Quebec; and 4) all persons who failed to complete the 1991 census survey.

4.0 Results

4.1 Men

We begin with analysis of the male sample. Non-Jewish men, both Canadian- and foreign-born, report average annual wage and salary incomes of just over $30,000 (Canadian) per year. In striking contrast, both analogous Jewish groups report incomes almost 50% higher, about $44,000 per year (Chart 1). Part of the difference between Jews and non-Jews can be attributed to weeks worked. Thus only 70 % of non-Jewish men worked full time (over 45 weeks per year), whereas some 75% of Jewish men did so (Chart 2). Somewhat surprisingly, the average incomes of native- and foreign-born non-Jewish men are virtually the same, as are the corresponding incomes for native- and foreign-born Jewish men.

Chart 3 shows the percentages of men “not working”. Recall that this category includes any male who did not report *wage or salary* income, and therefore includes those who are self-employed as well as the voluntarily and involuntarily unemployed. Of course the unemployed may nevertheless receive incomes, from government, family or other transfers, or from their investments. It is interesting to note that both native- and foreign-born Jewish males measured higher on this "not working" scale, which may reflect a higher percentage of Jews than non-Jews who are self-employed, although this is just speculation.

Turning now to human capital characteristics that are typically correlated with income, we note first that the average age of Jewish Canadian-born men is substantially higher than that of their non-Jewish counterparts (38.5 years of age versus 37.0) (Chart 4). We note further that the same relationship holds for immigrant men (43.5 years of age versus 41.4). Although age at this stage of the life cycle is generally positively correlated with income, we doubt that age can account for the bulk of the Jewish/non-Jewish income differentials just noted. In section 5.0 we estimate age-earnings profiles for Jews to detect the effect of age on earnings with other factors held constant.

A second human capital characteristic that is typically correlated with income is education (Coulson and DeVoretz, 1993). Chart 5 displays dramatic differences in years of schooling between our four groups. Whereas about 51% of non Jewish Canadian-born men have 12 years or less schooling, only 17% of their Jewish counterparts have 12 years or less. For graduate education (17 years or more) the differences are equally dramatic: only 8% of the non-Jewish native-born have received graduate education, versus about 31% of Jewish native-born. Turning to the two immigrant populations, foreign-born non-Jews have more years of education than native-born non-Jews, but the relationship is reversed for Jews (although Jewish immigrants nevertheless have more education than either of the two non-Jewish groups). Recall from Chart 1 that the incomes of native-born and foreign born populations (both non-Jewish and Jewish) are roughly similar. Thus at first pass it would appear that non-Jews compensate for the disadvantage of being immigrants by means of more education, whereas Jewish immigrants earn similar incomes to Jewish native-born despite having less education. In other words, Jews apparently overcome the “jeopardy” inherent in being immigrants by virtue of other income-correlates.

A third potential income-correlate is marital status. Typically, married men earn more because of a greater attachment to the labour market. Chart 6 shows that Jewish Canadian-born men are slightly more likely to be married than their non-Jewish counterparts (59% versus 56%). However, the substantial difference shows up for immigrants. About 72% of both Jewish and non-Jewish immigrants are married. This phenomenon may help to explain why Jewish immigrants earn as much as non-Jewish immigrants despite their lower levels of education.

In Canada, a fourth income-correlate is language. We capture this characteristic in two ways. First, in Chart 7 we depict the language spoken at home. Some 69% of non-Jewish Canadian-born men speak English at home, versus almost 100% of their Jewish counterparts. Immigrants, while less likely in general to speak French at home, are relatively more likely to do so if they are Jewish: about 4% of non-Jewish immigrants versus about 12% of Jewish immigrants speak French at home. Immigrants are also much more likely to speak a language other than English or French at home: about 38% of non-Jewish immigrants and 23% of Jewish immigrants. Speaking a third language at home is probably a disadvantage in the labor force as it often means less-than-perfect ability in English or French. A second way of capturing language characteristics is in terms of ability to speak. On this score, both native- and foreign-born Jews rank higher than non-Jews in the sense that nearly all speak either English, French, or both, Canada's two official languages (Chart 8). By contrast, some 15 % of non-Jewish native-born men and about 6% of non-Jewish foreign-born men speak neither official language. Needless to say, this is likely to constitute a severe disadvantage in labor markets.

Finally, we examine occupation levels. We classified our census data into three classes of occupations: "professional," "skilled," and "unskilled."[1] Here we observe the most dramatic differences yet between non-Jews and Jews. Whereas only 24% of non-Jewish native-born men are employed professionally versus 43% as unskilled workers, about 55% of their Jewish counterparts are professionals versus only 26% unskilled. Amongst immigrants, the proportions of professionally employed are strikingly similar, as are the proportions of skilled and unskilled. Thus occupation accounts for some differences in incomes between non-Jews and Jews. It may also be that occupation helps to explain why foreign-born Jewish men earn incomes comparable to those of native-born Jewish men despite their lower levels of education. However the similar proportions in each occupational class seems superficially inconsistent with markedly different levels of education. Section 5.0, which controls for the effect of all other relevant variables through regression analysis, may detect the relative importance of occupational choice on Jewish earnings.

[1]The User Documentation for Public Use Microdata File on Individuals for the 1991 Census provides the following definitions of occupations: Professional = senior, middle and other managers, professionals and semi-professionals and technicians. Skilled= supervisors, foreman/women, skilled crafts and trades. Unskilled= sales and service, manual workers.

4.2 Women

Annual wages and salaries for women are reported in Chart 10. Although the pattern of relative earnings across our four groups is very similar to that for men, absolute levels are substantially lower, ranging from 61% of the male level for NJCB, through 58% for JCB, 59% for NJI and only 54% for JI. In short, women earn 39-42% less than men, with the exception of Jewish immigrant women, who earn a full 46% less. These lower earnings are partly accounted for by lower work weeks (Chart 11). Weeks worked by women as a percentage of weeks worked by men range from 90% for NJCB, through 83% for JCB, through 87% for NJI, through 82% for JI. What is notable about these figures is that both native- and foreign-born Jewish women work shorter hours compared to their male counterparts than do non-Jewish women. This may account for their lower earnings relative to Jewish males when compared to their non-Jewish counterparts relative to non-Jewish males. What is of interest is to detect why Jewish women opt out of the Canadian labour market.

Chart 12 shows the percentages of women not working for wages or salaries. The pattern of these percentages across our four groups is virtually the mirror image of that for men. However significantly higher percentages of non-Jewish women, than men, both native- and foreign-born, did not report wage or salary incomes. By contrast, significantly lower percentages of native-born Jewish women (and about the same percentage of foreign-born Jewish women) did not report such incomes. In short, given that Jewish women are already in the labour market, they are more likely to work (at least for wages or salaries) than were Jewish men. As already mentioned, our conjecture is that this reflects a higher rate of self-employment amongst men, but that is just a guess.

Chart 13 reports the average ages of our four groups of working women. We note the same monotonically ascending pattern of age, ranging from about 36 for NJCB to 42 for JI. Recall from Chart 4 that the average age of men was 1 - 2 years higher. This would account for some but certainly not all of the earnings premium of men over women. To be more precise we await the analysis of Jewish age-earnings profiles in section 5.0.

Chart 14 depicts education levels for women. Comparisons to the male populations differ across the four groups. Whereas the ratio of high-school-or-less education for women to men for NJCB is only 0.93 -- that is, women are better educated -- the same ratio for JCB is 1.20, for NJI is 1.06, and for JI is 0.99. In other words, Jewish native-born women, as well as all immigrants, are less well or no better educated than their male counterparts, whereas non-Jewish native-born women are better educated than their male counterparts. A tentative explanation for this is that both Jewish and immigrant cultures are more traditional than the Canadian main-stream, placing less relative emphasis (though in the case of Jewish women, more absolute emphasis than in either non-Jewish case) upon

education for women than for men. It is interesting to note that whereas native-born Jewish working women are less well educated than their male counterparts, foreign-born Jewish working women are equally well educated. A final observation is that the female/male differentials in education are not conceivably large enough to account for the huge earnings differentials between genders.[2]

Chart 15 reports marital status and language. Marital status shows the following gender difference: women are more likely than men to fall into the "other" category: that is, neither "married" nor "never married". Thus some 15% of women NJCB report an "other" marital status, versus only 10% for males. This pattern holds across all four groups. It would appear that divorced women are disproportionately represented in the population of *working* women, as opposed to the total population of women.

Chart 16 shows the languages that working women speak at home. The percentages of English, French and "other" are almost identical to those for men. Chart 17 shows ability to a speak languages. Here again, the percentages are almost identical to those for men, except that a slightly higher percentage of Jewish immigrant males speak French in addition to English than do Jewish immigrant females.

Chart 18 depicts occupational categories for women. The striking feature of this chart is that the proportions of "unskilled" women are much higher, ranging from 50% for NJCB (versus 43% for men), through 33% for JCB (versus 26% for men), through 56% for NJI (versus 40% for men) and 38% for JI (versus 28% for men). The corresponding ratios are 1.16 for NJCB, 1.27 for JCB, 1.45 for NJI, and 1.46 for JI, suggesting that immigrant working women are less skilled relative to their male counterparts than are native-born working women.

5.0 Regression results: Jewish Immigrants versus Jewish Canadian-born

In this section we briefly report the results of testing a human capital model for the Jewish Canadian-born and Jewish immigrant earnings experiences. The purpose of this section is two fold. First, the following regression analysis allows us to isolate the effects of age, etc on Jewish income while controlling for the influence of the remaining variables. Second, we test whether Jewish earnings in Canada conform to the traditional investment/demographic model which has held for other immigrants in Canada. In this context, a human capital model argues that after arrival Jewish immigrants accumulate, via education, experience and greater language facility, human capital which gradually makes them more competitive in the Canadian labor market. Thus, in the absence of

[2] In fact the NJCB group, which has more education than men, should on this score be earning more than men, not less.

discrimination and other imperfections in the labor market the model argues that Jewish immigrants are at first at an earnings disadvantage relative to their Canadian-born Jewish cohort, and then after some years "catch up" and overtake the earnings of the Jewish Canadian-born.

Table 1 reports the mean values for the data set, which is drawn from the same source (PUST, 1991 Canadian Census) used in earlier sections.[3] Our sample of all Jewish Canadian households includes males and females who were in the labor force *circa* 1991. Some salient features of this sample set are that the average person in the sample was 42.5 years old with an educational attainment of 14.9 years and lived in a household with 3.17 members. Only 14 percent of the Jewish households had labor force members working in unskilled (NOskill) occupations while 44 percent were working in professional and technical trades (SL4). Finally, the average employment was full-time (Weeks = 51.8) with 53 per cent of the sample being female (Female =.53).

We estimated the basic human capital model in two stages to recognize that earnings depend on the prior decision to enter the labor market. Thus, in the first stage we offer:

Equation 2.1:

Prob = g(age, age squared, marital status, years of schooling, foreign birth status and family size),

which argues that the probability of entering the labor market (Prob ranges between 0 and 1) is a function of the arguments on the right hand side of the equation.

Next, given entry into the labor market, we argue that Jewish wages should be a function of the human capital (schooling, occupation, language) and demographic variables (age, marital status, family size and gender) conditioned on weeks worked and occupational choice. This is expressed in equation 2.2.

Equation 2.2:

Ln wages = f(age, age squared, marital status, weeks worked gender, years of schooling, occupation, language status, marital status and family size)

Anticipating our results we omitted the traditional and often cited variable of “years in Canada” since this variable proved insignificant when the age of the immigrant appeared in the earnings equation.[4] Estimating equations 2.1 and 2.2 leads to the results reported

[3] PUST is the Public Use Sample Tape on Individuals for the 1991 Census from Statistics Canada. For further information see the 1991 Census Dictionary, Statistics Canada, No. 92-301E or F.

[4] The problem is that one year of aging is exactly equivalent as one calendar year of residence in Canada and hence with both variables in one equation only one at best can prove significant.

in Tables 2 and 3, which in general support the human capital model of wage determination for Jews in Canada. In the first stage of the modeling we attempt to predict the probability ("Probit") of Jews entering the Canadian labor market. The coefficients reported in table 2 support the hypothesis that Jews who are either single, or foreign-born, or part of a smaller family size are statistically less likely to be in the labor market. These results are consistent with evidence reported for Canadian-born workers in several recent studies (Fagnan, 1995).[5] Thus Jews are less likely to join the Canadian labor force for similar reasons as other Canadians, with the exception that if Jews are foreign born it has a slight extra deterrent.[6]

Turning now to Table 3, we report the results of estimating equation 2.1 for Jews in Canada. The central question is whether, controlling for religious status, the human capital model explains the age-earnings profiles of all Jews in Canada. In short, the answer is "Yes." The traditional human capital model with demographic variables (age, age squared, marital status, single), conditioned on occupational choice, yields the predicted effect on earnings. Moreover, given a positive age coefficient (.007) and a negative age squared coefficient (-.0008), the model predicts concave age-earnings profiles for all Jewish Canadians and Jewish immigrants, male and female respectively. Given the mean values reported in Table 1 and the coefficients estimated in Equation 2, we generated concave age earnings profiles. This is the litmus test that confirms a human capital theory of earnings generation for Jews in Canada.[7]

Figure 2.1 presents the predicted age-earnings profiles for all Jews (male and female) in Canada, both those who were born in Canada and those who are foreign-born. Since being foreign-born confers no special advantage (or disadvantage), the representative Jew in Canada, regardless of foreign birth status or gender , has the same concave age earnings profile. Specifically, Figure 2.1 indicates that for the representative Jew in Canada income rises from $22,184 (1990 Canadian dollars) at age 19 to a peak at age 49 of $43,958 (1990 Canadian dollars). After age 49 , the earnings of the representative Jew in Canada decline steadily to $36,000 (1990 Canadian dollars) at age 65.

The dramatically weaker earnings performance of Jewish females is clearly confirmed by figure 2.1. Female Jews in Canada enter the Canadian labor force at age 19 with

---

[5] . Jews however differ in one further aspect from the rest of the foreign-born Canadian labour force. While many ethnic groups have a secondary or interactive affect on the key arguments, Jews do not. For example, many ethnic groups have a special ethnic-education effect in their earnings or labour force participation equation. In other words, being Chinese and obtaining education in Canada gives Chinese an extra bonus as they interact with education. No interactions occur when we test for them in the Jewish earnings equations in this paper.

[6] First and foremost it should be noted that being a Jewish immigrant relative to being a Canadian-born Jew has only a small negative impact upon entry in Canada's labour market since the calculated elasticity is close to zero (-.01).

[7] The mean values and the necessary age coefficients are reported in Appendix Table A.1.

earnings of $11,669 (1990 Canadian dollars) or only 52% of the predicted total for all Jews in Canada regardless of gender. By age 46 the earnings of Jewish females have peaked at $22,983, declining by age 65 to $19, 054.

In sum, these estimated age earnings profiles for Jews in Canada are consistent with the uncontrolled, descriptive analysis in Section 4. Section 4 showed that economic jeopardy in Canada is associated simply with being female, and not with being Jewish or being foreign born. The controlled statistical analysis of this section confirms that *Jewish* females earn lower incomes even after human capital characteristics are controlled for, irrespective of whether they are foreign born.

6.0 Summary

Our statistical findings can be summarized as follows. For simplicity we make general assertions, when to be precise they should be restricted to the Canadian census population of employed (but not self-employed) men and women aged 25 - 65 residing west of the Maritime provinces in 1991.

1. Jews, whether immigrants or native-born, earn about 50% more than non-Jews.

2. Jews work more weeks per year than non-Jews.

3. Jews are more likely to be self-employed than non-Jews.[8]

4. Jews are older than non-Jews.

5. Immigrants are older than the native-born.

6. Jews are much better educated than non-Jews.

7. Jewish immigrants are less well educated than native-born Jews, whereas non-Jewish immigrants are better educated than the non-Jewish native-born.

8. Immigrants are more likely to be married than native-born Canadians. Also, native-born Jews are slightly more likely to be married than are native-born non-Jews.

9. Jews are more likely to speak English at home than are non-Jews. Moreover they are less likely to speak a language other than English or French.

---

[8] More precisely, this assertion is consistent with Chart 3. The other consistent interpretation of Chart 3 is that Jews are more likely to be unemployed, either voluntarily or involuntarily. Of course unemployed persons may also receive income as transfers from government or family, or as earning from investments, or as both.

10. Jewish immigrants are more likely to speak English at home than are non-Jewish immigrants. Moreover, they are also more likely to speak French at home. They are correspondingly less likely to speak a third language at home. In other words, Jewish immigrants are much more likely than non-Jewish immigrants to be *able to speak* both English and French.

11. Jews are much more likely than non-Jews to be employed in professional occupations, and much less likely to be employed in unskilled occupations.

12. The proportion of Jews who are professionally employed is almost as high amongst immigrants as amongst non-immigrants (despite immigrant lower educational levels).

13. Women earn only 54 - 61% as much as men, with the fraction for Jewish immigrant women the lowest, at 54%.

14. Jewish women work slightly fewer weeks per year than do non-Jewish women (although the former earn substantially higher incomes).

15. Women of working age are more likely to work (at least for wages and salaries) than are men.

16. Women are 1- 2 years younger than men.

17. Immigrant Jewish women have slightly less education than their male counterparts, and native-born Jewish women are no more educated than their male counterparts. Amongst non-Jews, women immigrants are also slightly less educated than men, but native-born women are better educated than men. On balance, women have about the same levels of education as men, at least within the broad categories we have chosen to report.

18. There are proportionately more divorced working women than divorced working men.

19. The proportions of unskilled working women are much higher than for men, especially amongst non-Jewish immigrant women.

20. A human capital model conditioned on demographic variables explains Jewish age-earnings performance in Canada.

6.0 Conclusion

Are Jewish immigrants to Canada subject to double jeopardy, by virtue both of being Jewish and of being immigrants? In terms of the wages and salaries they earn, the answer is a resounding "no". In fact the reverse is true: Jewish immigrants earn substantially more than do non-Jewish non-immigrants: men earn almost 50% more, and women over 40 % more. This is substantially above the Jewish earnings advantage reported circa 1981. [9] Moreover amongst non-immigrants, Jews earn much more than non-Jews, and amongst immigrants Jews again earn much more than non-Jews immigrants. Thus while Jewish immigrants are by no means doubly cursed, neither are they doubly blessed. They are merely singly blessed by being Jewish; but being immigrants does not enhance their incomes any further!

A more subtle question is whether Jews do better or worse economically once a variety of income-enhancing characteristics is controlled for. Our regression analysis indicates that the standard human capital model holds for Jews in Canada. Give the set of observed facts that working Jews in Canada are better educated, are more likely to be married, are more likely to speak English, are more likely to work as managers or in a profession, and work longer hours, all combine to yield them higher age-earnings profiles. These findings were partially confirmed with 1981 data by Stelcner and Kyriazis (1995) who found that:

"The observed large earnings advantages of Jewish,….can be attributed mainly to their greater educational attainments…" (p. 65).

In addition, they argue that Jews in Canada in 1981 were differentially rewarded for education, greater than the reference group of British ethnics in Canada.[10]

Immigrant Jews share these characteristics with the larger population of Jews, with the anomaly that they are relatively less well educated. The fact that they nevertheless earn as high incomes as native-born Jews suggests that Jews, unlike other Canadian immigrants, may not experience earnings penalties upon entry into Canada which they must make up for later via further education.

The most dramatic difference between men and women is that the latter's wages are only 54 - 61% of men's, with Jewish immigrant women's at the lower end of the range. At most one quarter of these differences can be accounted for by fewer weeks worked. Several other characteristics are not different enough to account for women's lower earnings. Women are only one or two years younger and almost as well educated: in fact better educated in the case of native-born non-Jewish women. While working women are more likely to be divorced (and probably more likely to be responsible for child-care),

---

[9] Stelcner and Kyriazis (p. 46) find that Jews had the highest average earnings in Canada circa 1981 with $26,820 (males) and $16,240 for females. Their all Canadian male average was $ 21,340 and female $13,700.

[10] Jews regardless of birth place had an 8.3% return on education while British ethnics in Canada received slightly less of 7.5%.

and while they are possibly less likely to be self-employed, neither of these factors seems likely to explain much of their wage disadvantage.

What *is* markedly different about women is that they are more likely to be working at unskilled jobs. But given women's similar educational attainment, this merely suggests that they are underpaid because they are under-employed relative to their abilities, compounding the suspicion that the real "jeopardy" in the Canadian labor force lies in being a woman. This is consistent with a considerable volume of evidence: for example see Beach and Worswick (1993).

Table 1: Statistics for Regression Analysis

Name	N	Mean	St. Deviation
Age	3822	42.5	10.7
Female	3822	.53	.49
Weeks	3822	51.8	21.5
Wages	3822	33408	3223
Single	3822	.17	.37
Foreign born	3822	.37	.48
No official language	3822	.003	.06
Language spoken at home	3822	.09	.29
SL1	3822	.02	.14
SL2	3822	.21	.40
SL3	3822	.20	.40
SL4	3822	.44	.49
Noskill	3822	.12	.33
School	3822	14.9	3.1
Family size	3822	3.17	1.44

Source: Authors' tabulations from 1991 PUST Canadian Census

Table 2: Estimated Coefficients from Probit Analysis

Variable	coefficient	t-ratio	elasticity
age	.07	3.6	.74
age squared	-.001	-4.4	-.45
single	-.21	-2.5	-.0085
school	.10	12.0	.35
foreign born	-.18	-3.4	-.01
family size	-.06	-2.8	-.04
constant	-1.37	-2.9	-.31

Source: Authors' tabulations from 1991 PUST Canadian Census

Table 3: Estimated Coefficients of Earnings Profiles:

Variable	coefficient	t-ratio	elasticity
age	.007	3.9	3.1
age squared	-.0008	-3.24	-.1.41
single	-.104	-2.2	-.02
years of schooling	.006	.41	.10
foreign born	-.108	-0.236	-.04
female	.67	1.65	.034
family size	-.018	-1.4	-.06
constant	6.93	12.09	6.93
Lambda	-.0.25	-.61	-.06
years of schooling, foreign born	.01	1.09	.06
years of schooling, females	.009	1.08	.07
skill level 2	.14	1.7	.03
skill level 3	.31	3.9	.07
skill level 4	.55	7.0	.28
language spoken at home	-.27	-5.67	-.02
Does not speak either official language	-.16	-.5	-.0002
female age	-.05	-2.58	-1.00
foreign age squared	-.0002	-.44	-.11
weeks	.032	29.32	1.48

Source: Authors' tabulations from 1991 PUST Canadian Census

References

Abbott, M.G. and C.M. Beach, "Immigrant Earnings Differentials and Cohort Effects in Canada", Canadian Journal of Economics, Aug. 1993 Vol. XXVI, No. 3, pp. 505-524.

Akbari, A., "The Benefits of Immigrants to Canada: Evidence on Tax and Public Services", Canadian Public Policy, 1989, Vol. XV, pp. 424-435.

_____, "The Public Finance Impact of Immigrant Populations on Host Nations: Some Canadian Evidence", Social Science Quarterly, Vol. 72, No. 2, June, 1991, pp. 334-346.

Akbar, S. and D.J. DeVoretz, "Canada's Demand for Third World Highly Trained Immigrants: 1976-1986", World Development, Jan. 1993, pp. 177-187.

Beach, C.M. and C. Worswick, "Is there a double negative Effect on the Earnings of Immigrant Women?" Canadian Public Policy, 1993, Vol. XIX, No. 1, pp. 36-53.

Bloom, D.E., G. Grenier and M. Gunderson, "The Changing Labour Market Position of Canadian Immigrants", Canadian Journal of Economics, Vol. XXVIII, No. 4b, Nov. 1995, pp. 987-1005.

Cobey, "Barometers of Immigrant Success", Applied Research Bulletin, 1996.

Coulson, R.G. and D. DeVoretz, "Human Capital Content of Canadian Immigration 1966-1987", Canadian Public Policy, Dec. 1993, Vol. XIX, pp. 357-366.

DeVoretz, D.J. (ed.), Diminishing Returns: Economics of Canada's Immigration Policy, C.D. Howe Institute, 1995.

_____, "Economic Impacts of Immigration Flows in Canada's Labor Market" in Issues in Canadian Immigration Policy, S. Globerman (ed.) (Vancouver, Fraser Institute, 1993).

Fagnan, S., "Canadian Immigrant Earnings: 1971-86", in DeVoretz, D.J. (ed.), Diminishing Returns: Economics of Canada's Immigration Policy, C.D. Howe Institute, 1995. pp.166-208.

Green, Alan G. and David A. Green, "Canadian Immigration Policy: the effectiveness of the point system and other instruments", Canadian Journal of Economics, Vol. XXVIII, No. 4b, Nov. 1995, pp. 1006-1041.

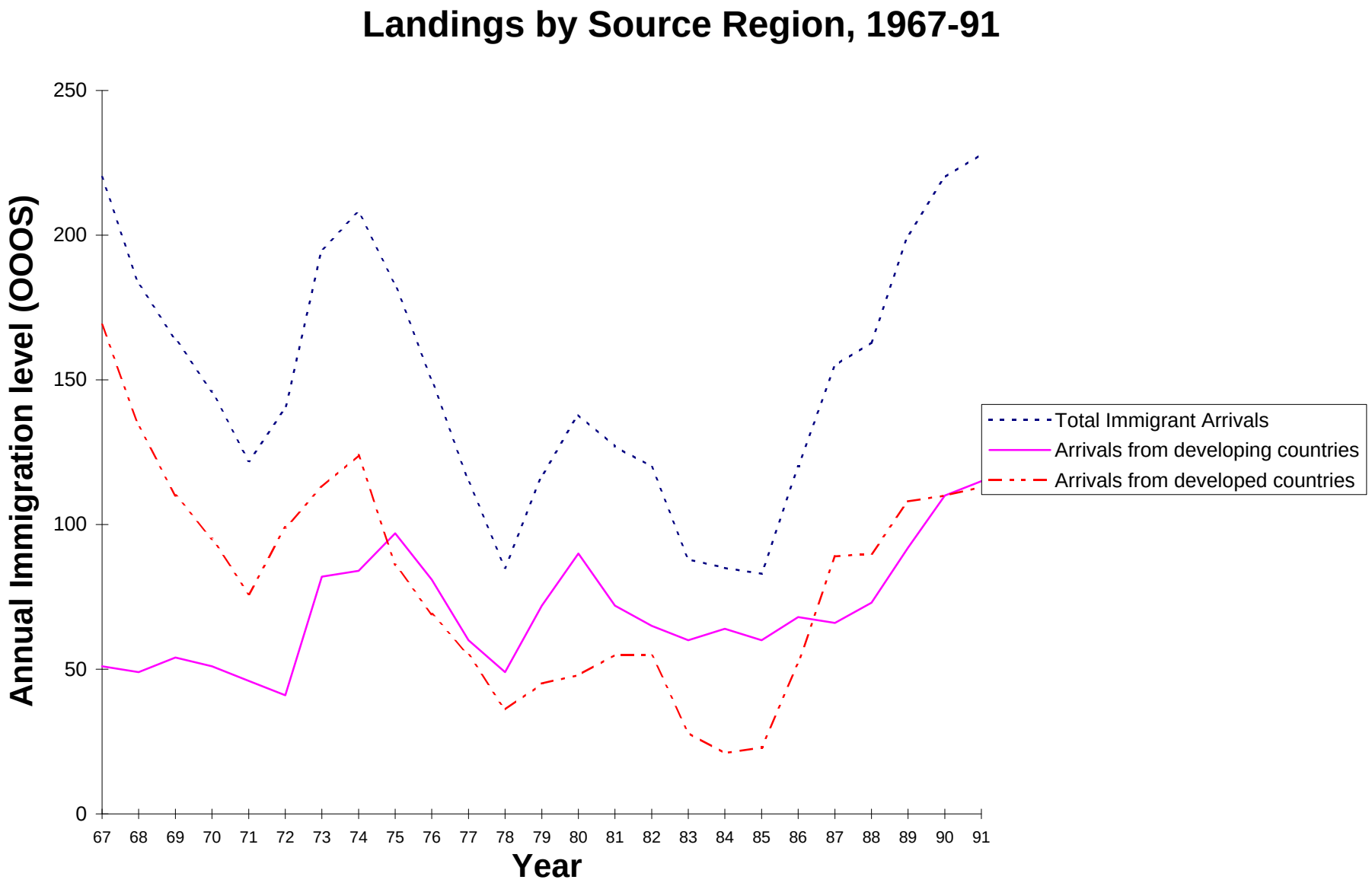
Green, D., "Intended and Actual Occupations of Immigrants" in D.J. DeVoretz (ed.), Emerging Immigration Issues in Canada, (C.D. Howe, Toronto, 1995).

Grubel, H., "The Economic and Social Effects of Immigration" in Globerman, S., Immigration Dilemma, (Fraser Institute, 1992) pp. 99-127.

Prescott, D. and B. Wandschneider, “The Assimilation of Immigrants in the Canadian Labour Market: 1981-1990”, May, 1995, paper presented at the Canadian Economics Association Meetings, Montreal, June, 1995.

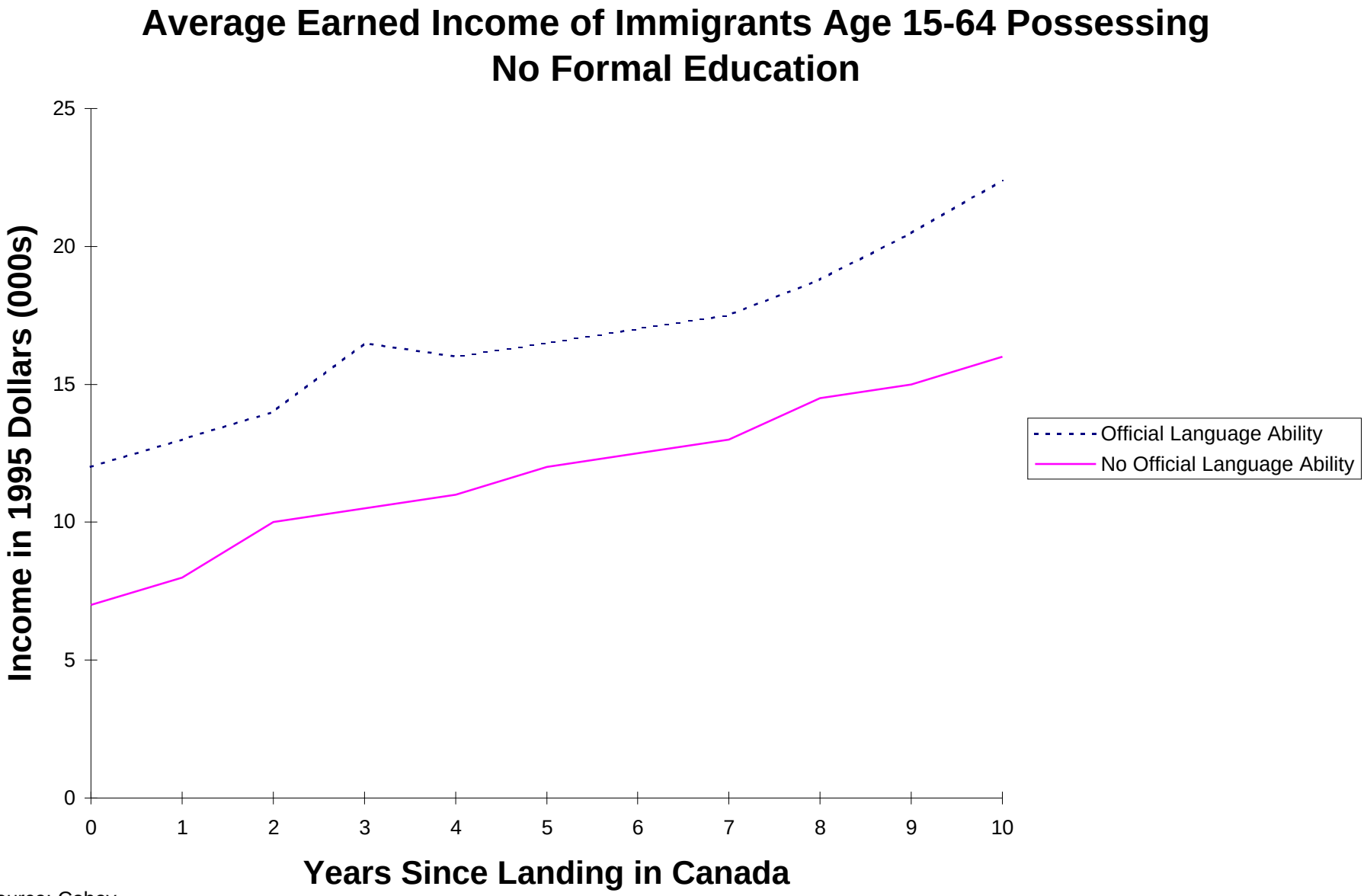
Stelcner, M. and N. Kyriazis, “An Empirical Analysis of Earnings Among Ethnic Groups in Canada”, International Journal of Contemporary Sociology, Vol.32, No.1, 1995, pp.41-79.

Figure 1.1



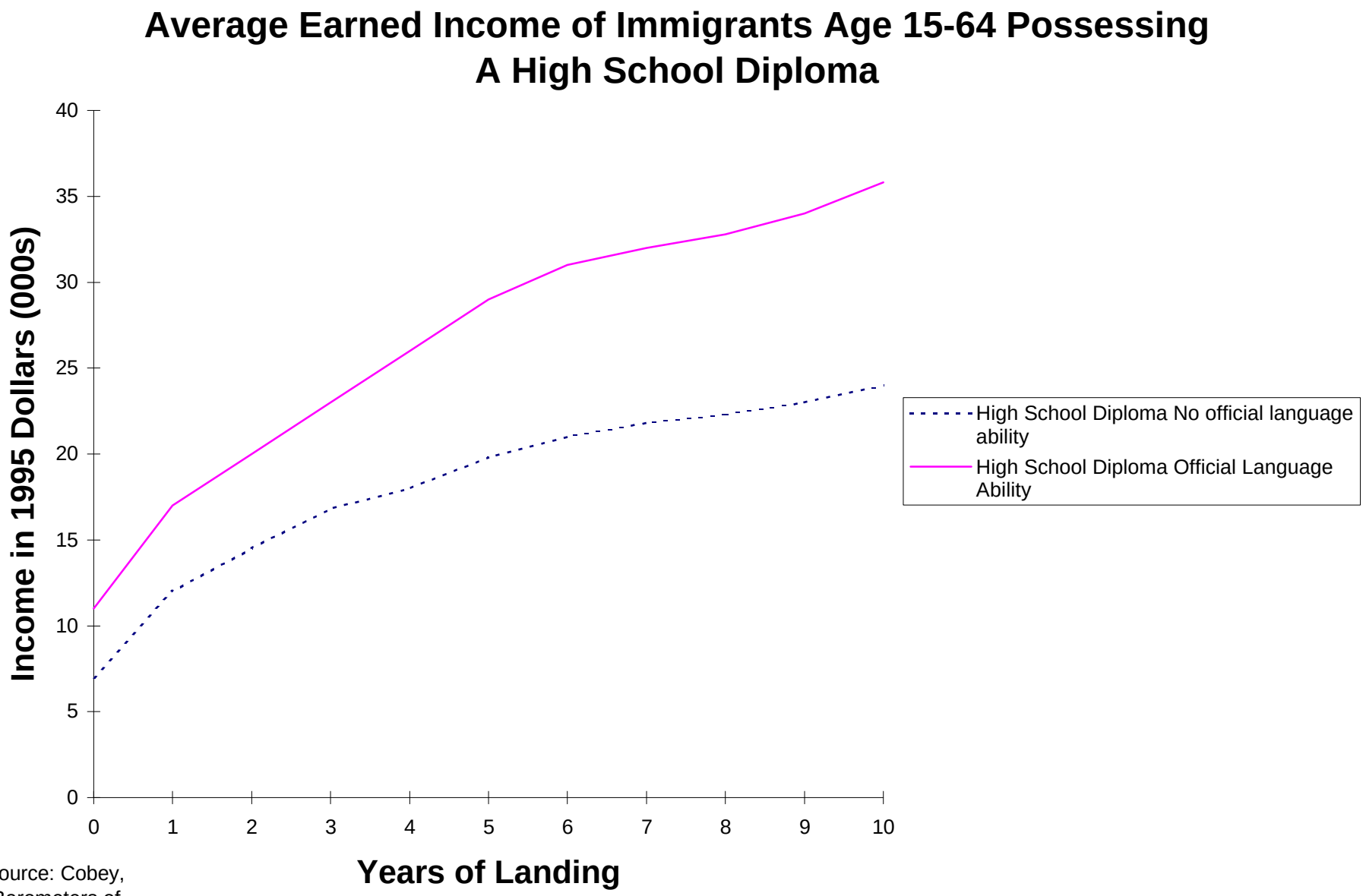
Source: Canada
Immigration Statistics,
Dept. of Manpower
and Immigration

Figure 1.2



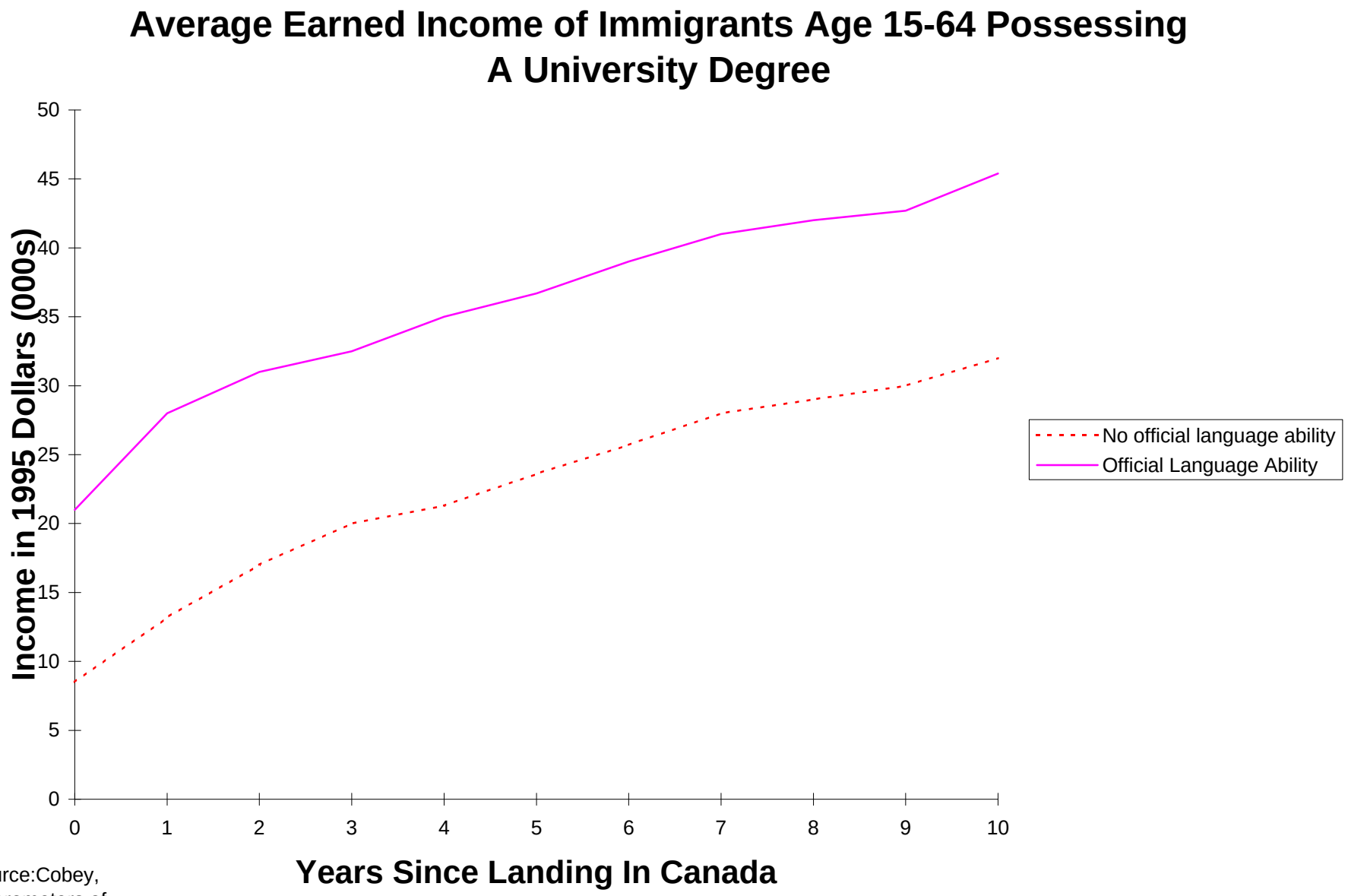
Source: Cobey,
"Barometers of Immigrant Success, Applied
Research Bulletin,
1996 pp.-8

Figure 1.3



Source: Cobey, "Barometers of Immigrant Success", Applied Research Bulletin, 1996, pp.-8

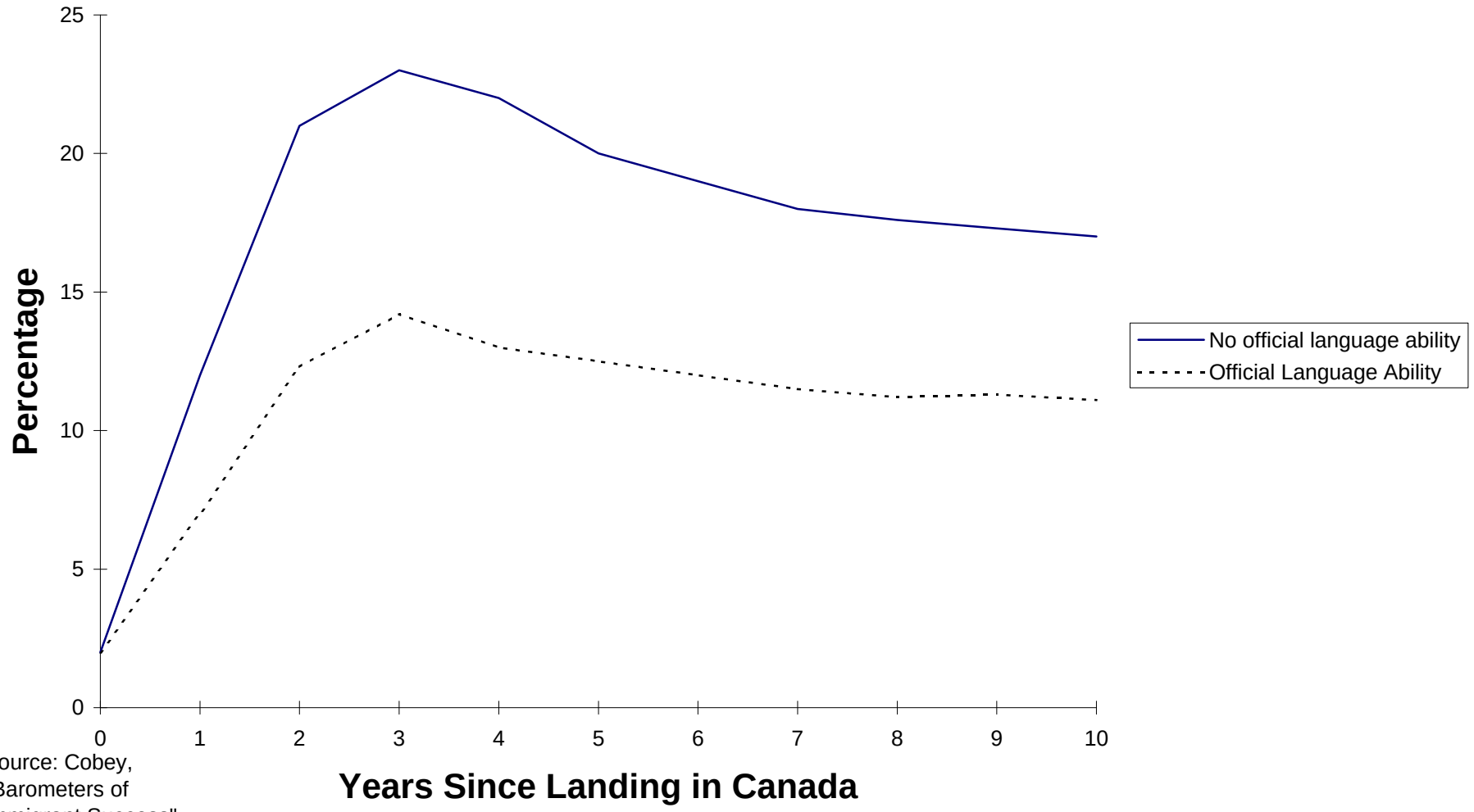
Figure 1.4



Source:Cobey, "Barometers of Immigrant Success", Applied Research Bulletin, 1996 pp.-8

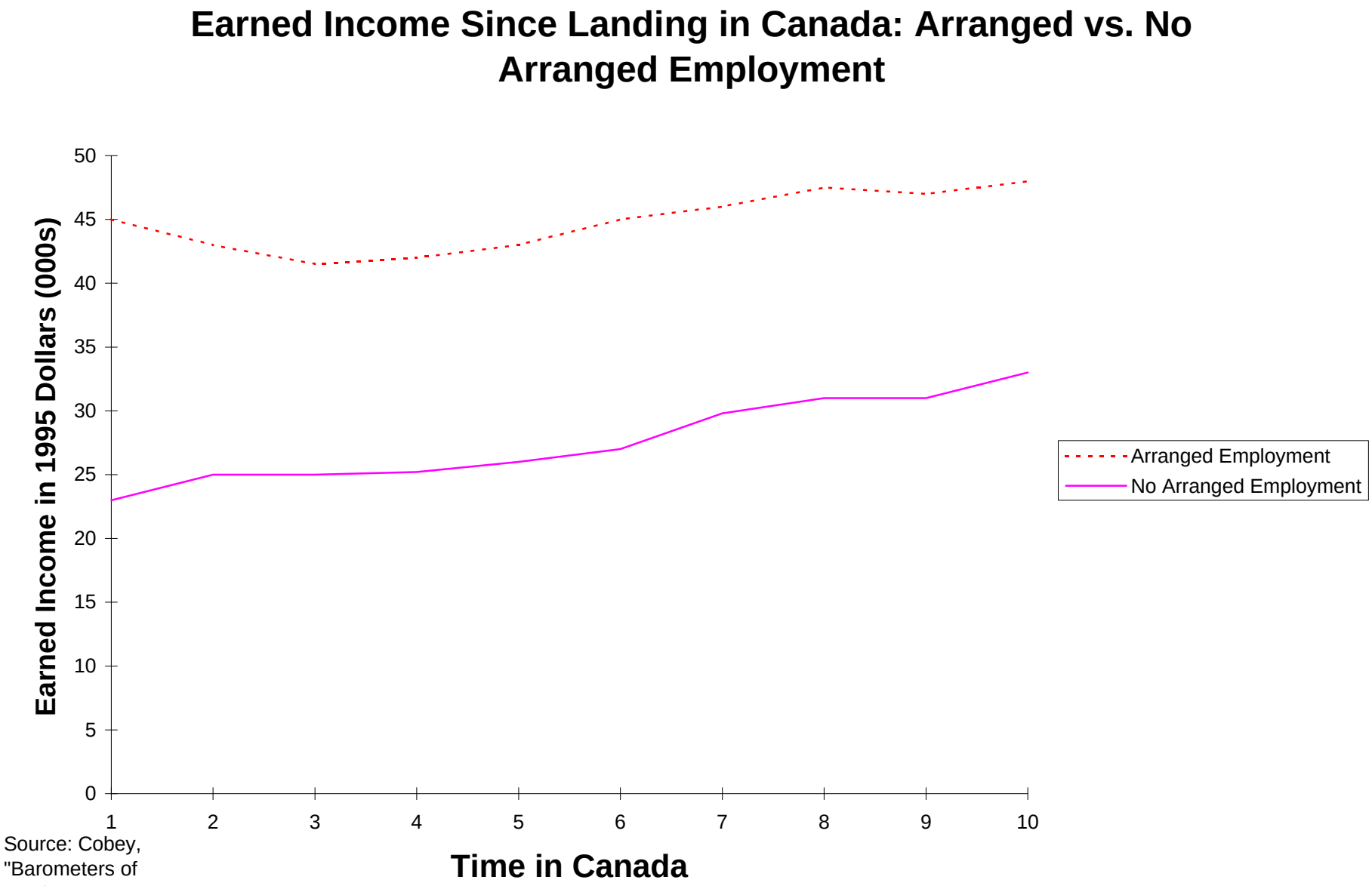
Figure 1.5

Proportion of Immigrants Declaring Unemployment Insurance Income



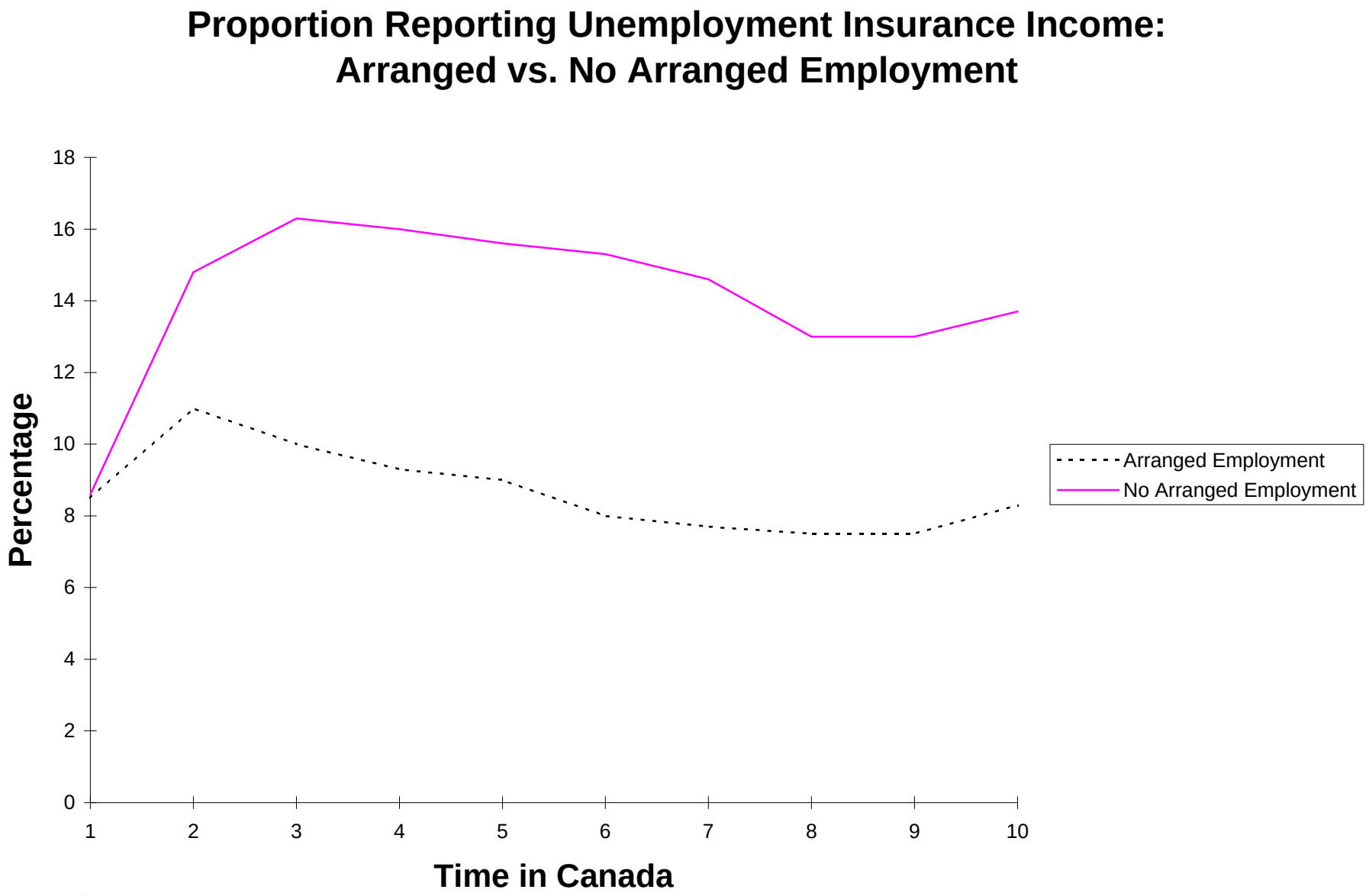
Source: Cobey, "Barometers of Immigrant Success", Applied Research Bulletin, 1996, pp-8.

Figure 1.6



Source: Cobey, "Barometers of Immigrant Success", Applied Research Bulletin, 1996, pp-8.

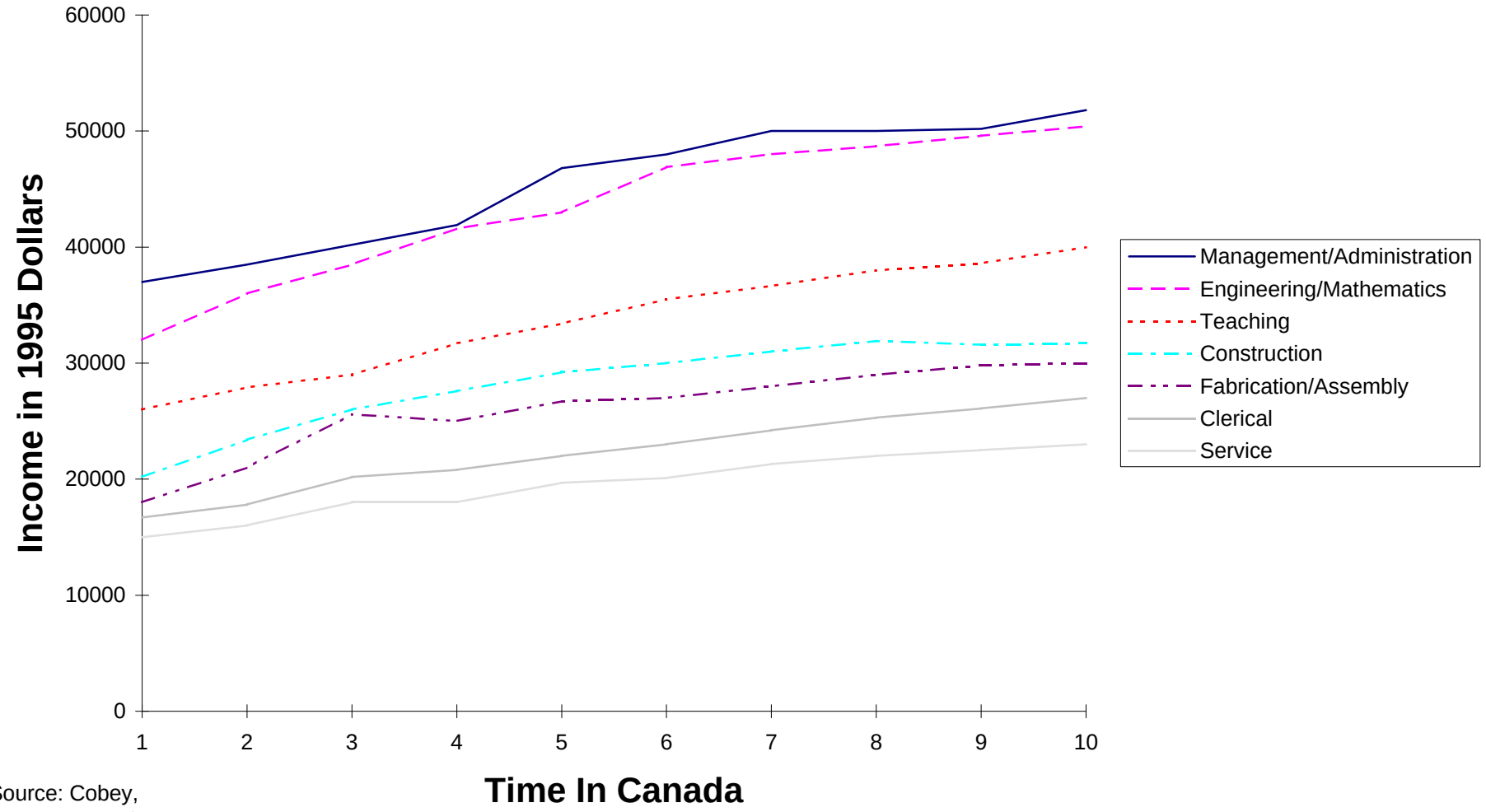
Figure 1.7



Source: Cobey, "Barometers of Immigrant Success, Applied Research Bulletin, 1996, pp-8

Figure 1.8

Earned Income by Intended Occupation Since Landing in Canada



Source: Cobey, "Barometers of Immigrant Success, Applied Research Bulletin, 1996, pp. -8.

Figure 2.1

Estimated Age-Earnings Profile of Jewish Males and Females (Native and Foreign Born)

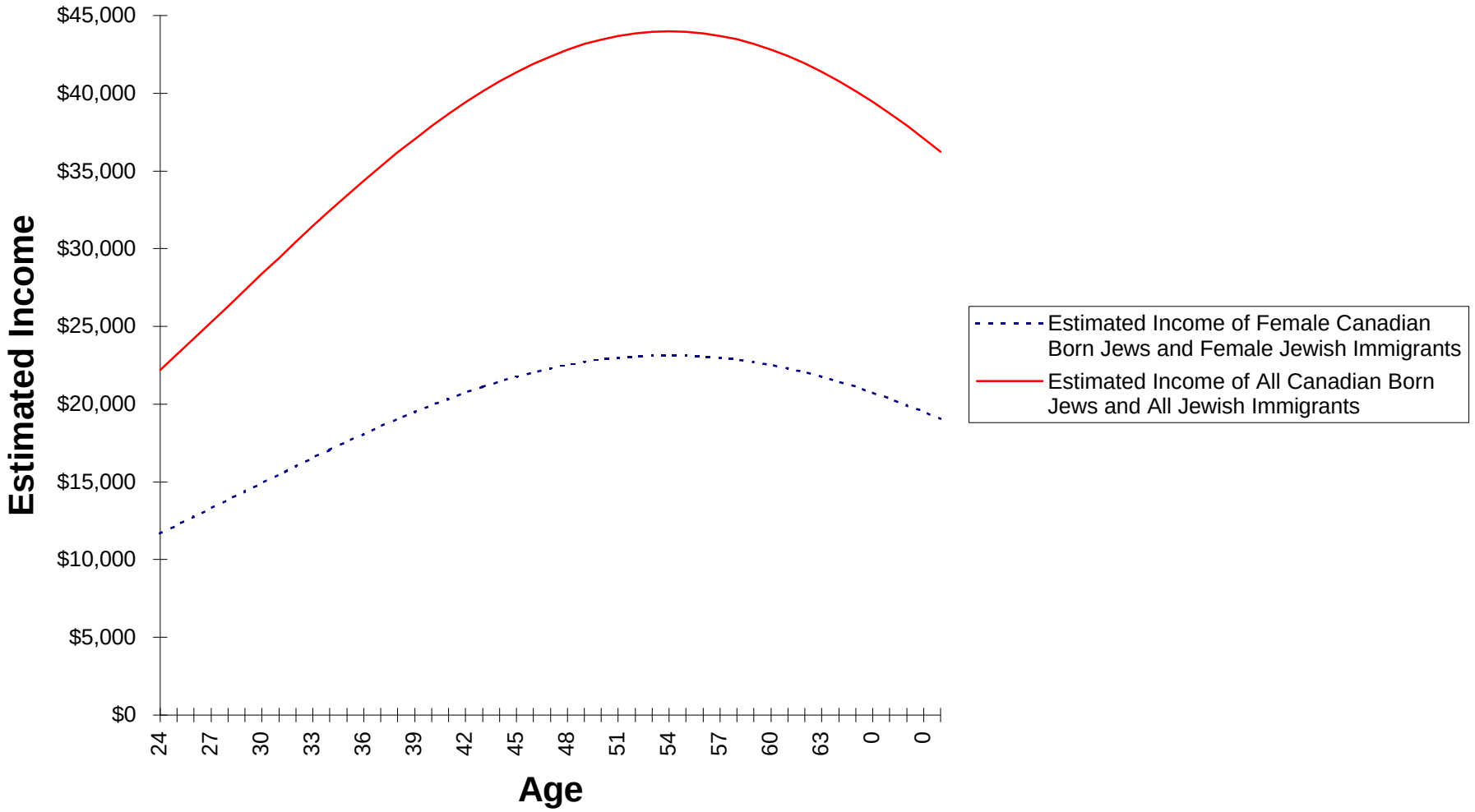
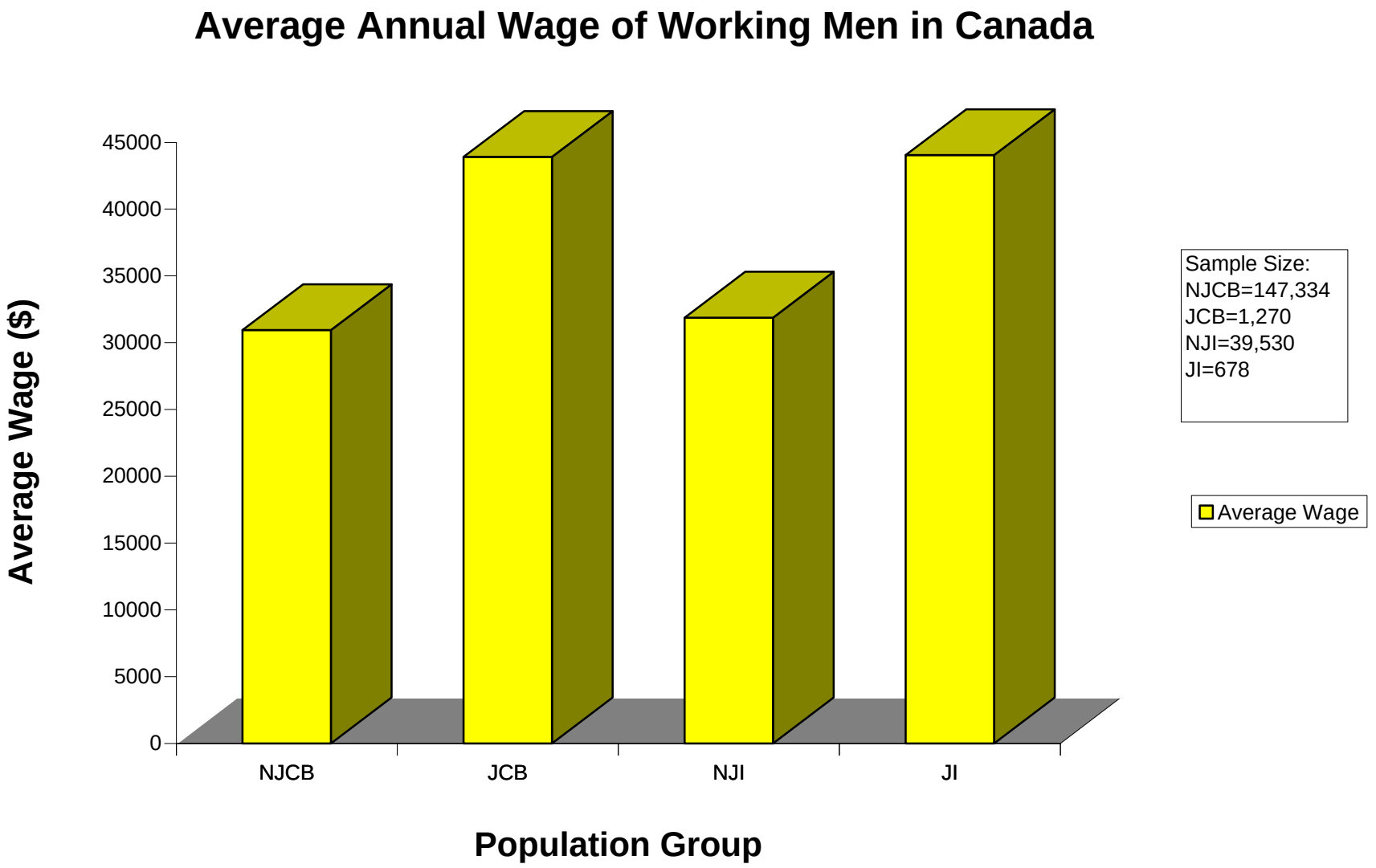


Chart 1

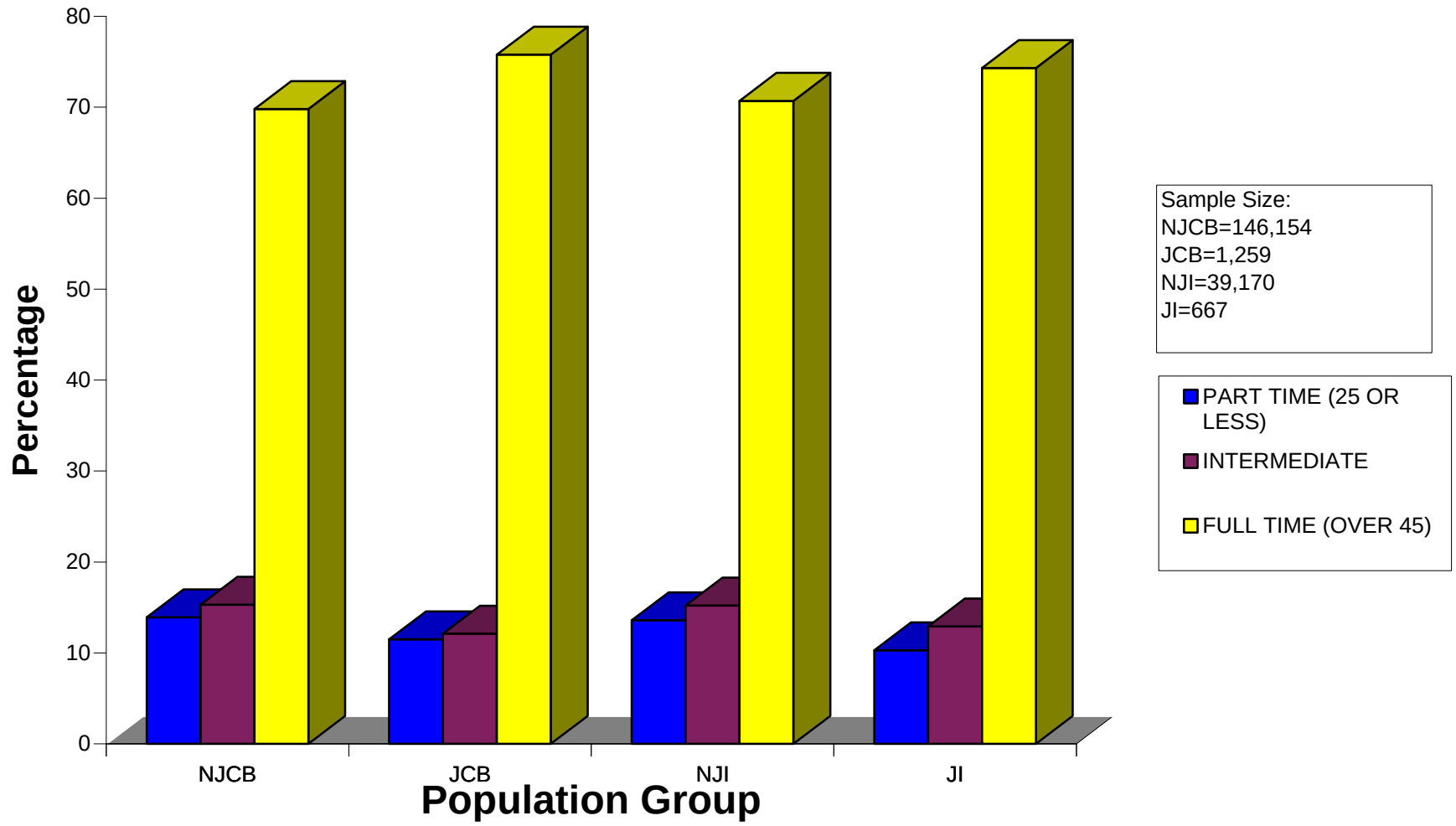


NJCB-Non Jewish Canadian Born
NJI-Non Jewish Immigrants
JCB-Jewish Canadian Born
JI-Jewish Immigrants

Source: Census of Canada, 1991

Chart 2

Number of Weeks Worked by Working Men in Canada

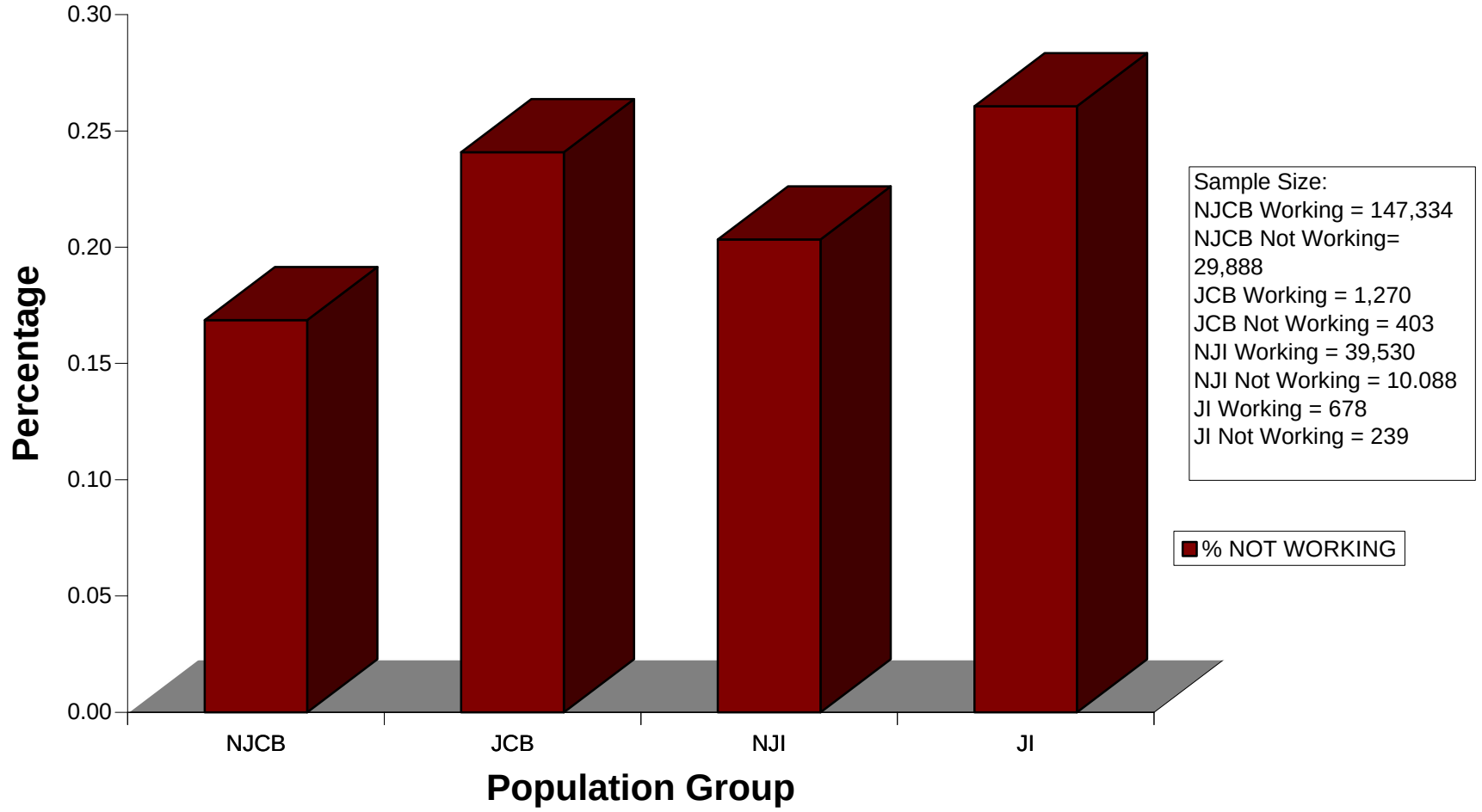


NJCB-Non Jewish Canadian Born
NJI-Non Jewish Immigrants
JCB-Jewish Canadian Born
JI-Jewish Immigrants

Source: Census of Canada, 1991

Chart 3

Men in Canada Not Working Relative to the Total Working and Not Working

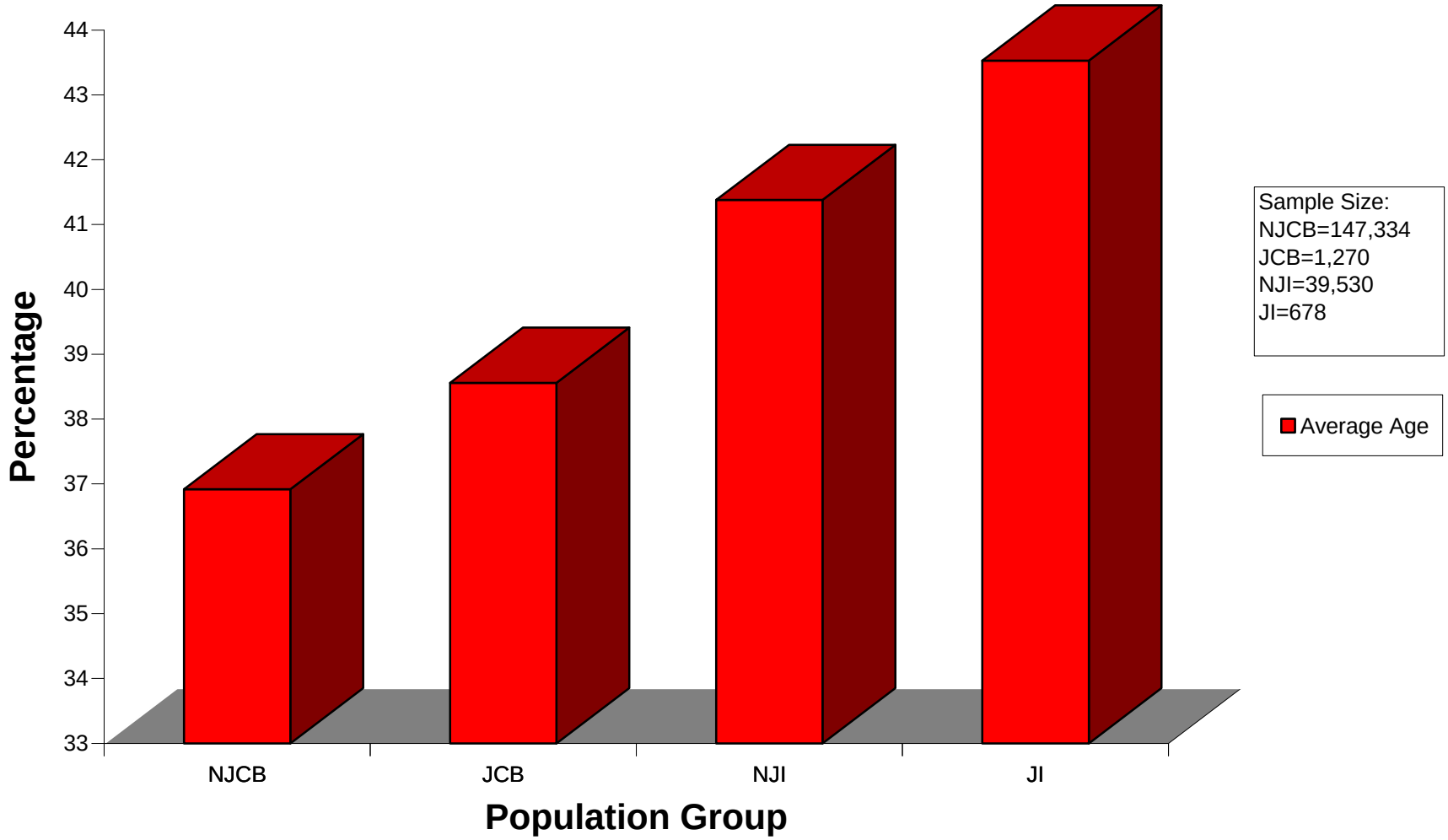


NJCB-Non Jewish Canadian Born
JCB-Jewish Canadian Born
NJI-Non Jewish Immigrants
JI-Jewish Immigrants

Source: Census of Canada, 1991

Chart 4

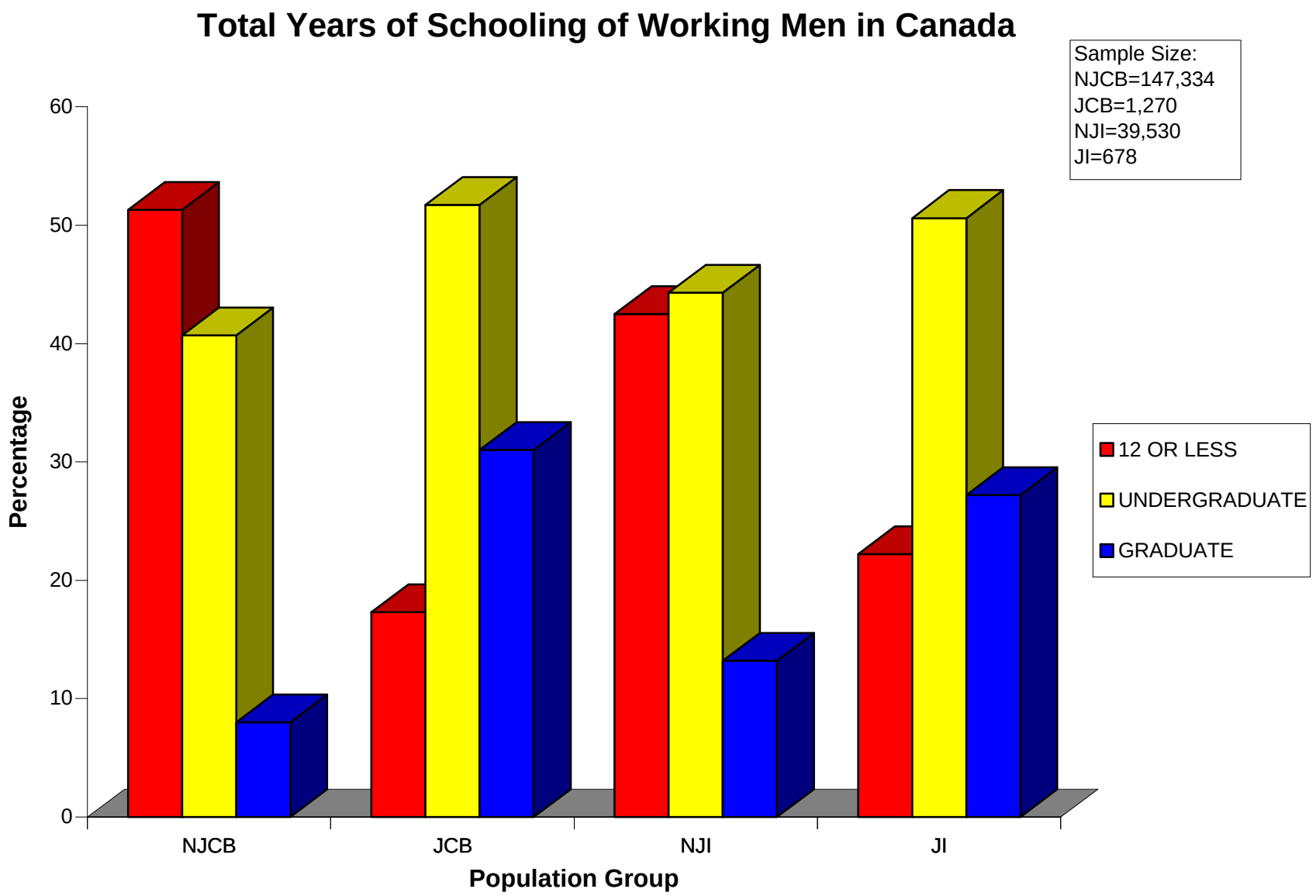
Average Age of Working Men in Canada



NJCB-Non Jewish Canadian Born
NJI-Non Jewish Immigrants
JCB-Jewish Canadian Born
JI-Jewish Immigrants

Source: Census of Canada, 1991

Chart 5

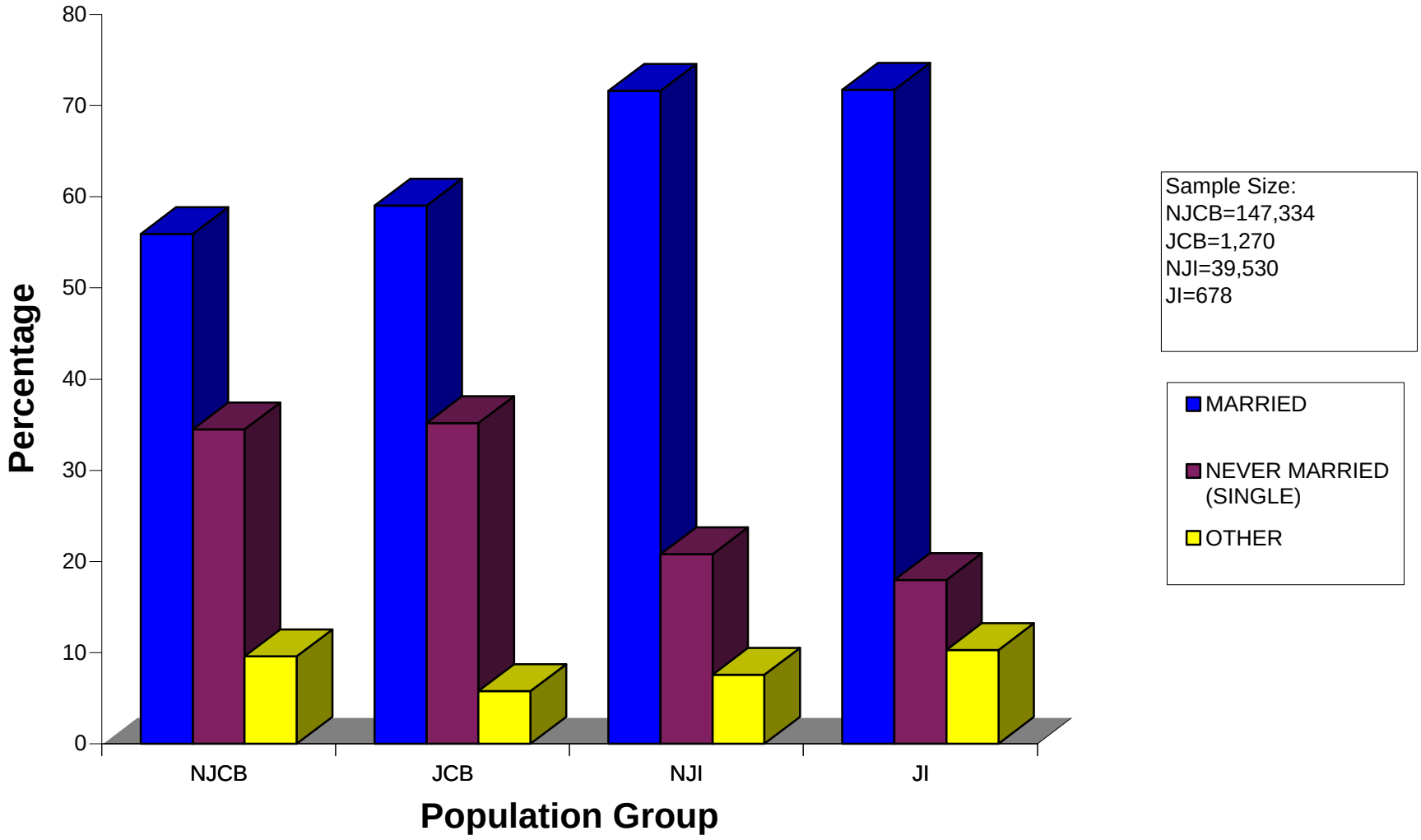


NJCB-Non Jewish Canadian Born
NJI-Non Jewish Immigrants
JCB-Jewish Canadian Born
JI-Jewish Immigrants

Source: Census of Canada, 1991

Chart 6

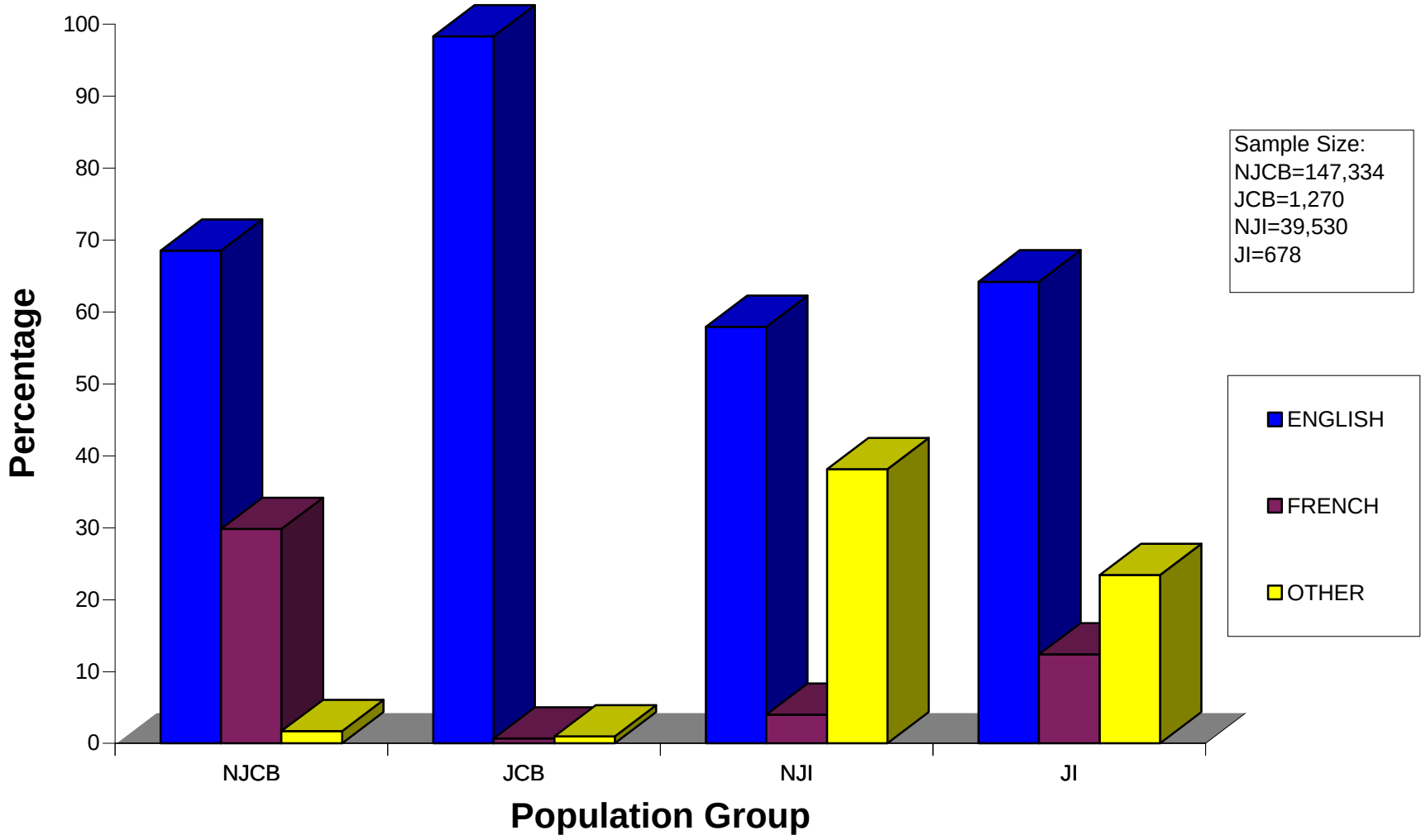
Legal Married Status of Working Men in Canada



NJCB-Non Jewish Canadian Born
NJI-Non Jewish Immigrants
JCB-Jewish Canadian Born
JI-Jewish Immigrants

Source: Census of Canada, 1991

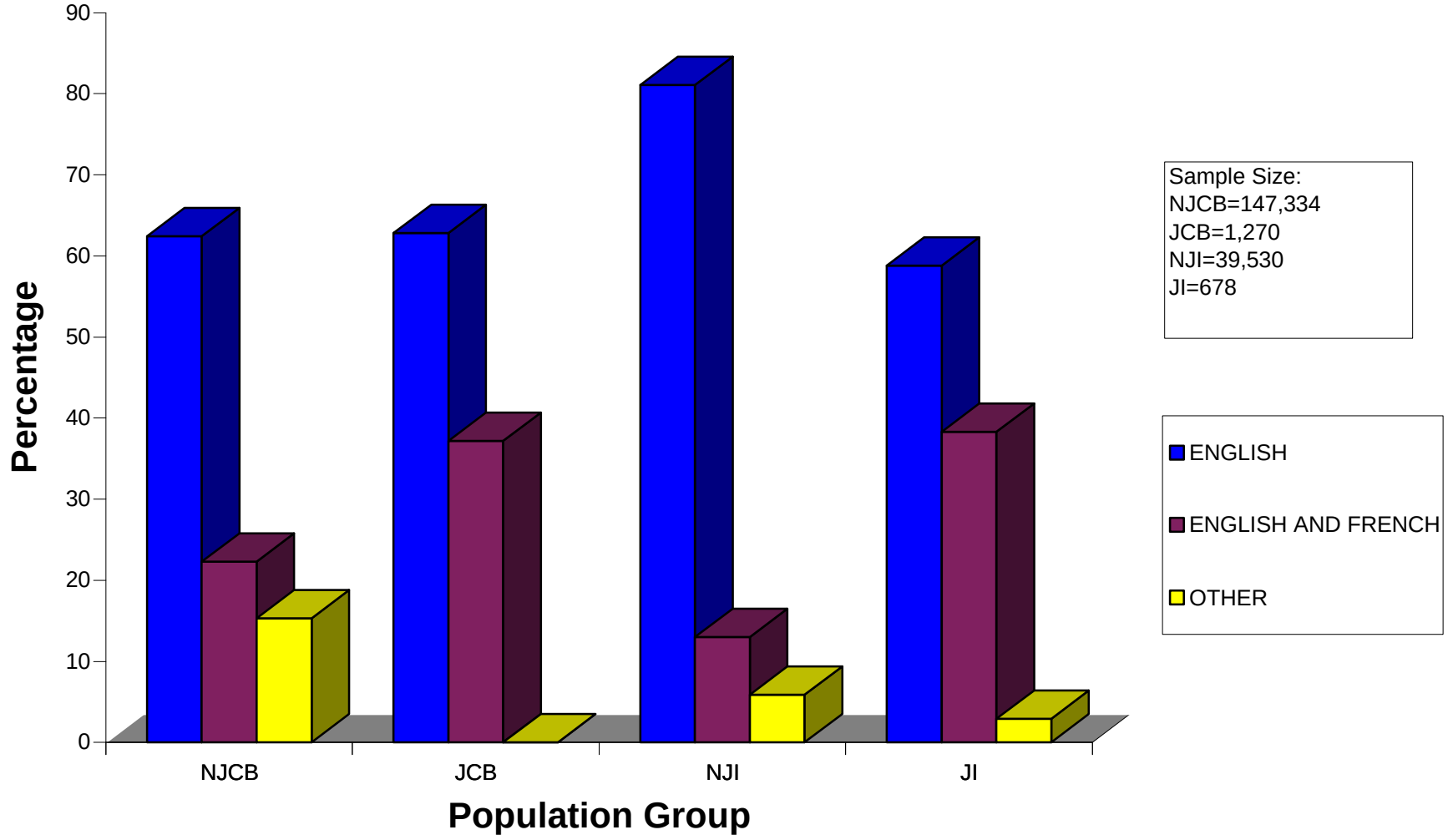
Home Language Spoken by Working Men in Canada



NJCB-Non Jewish Canadian Born
NJI-Non Jewish Immigrants
JCB-Jewish Canadian Born
JI-Jewish Immigrants

Source: Census of Canada, 1991

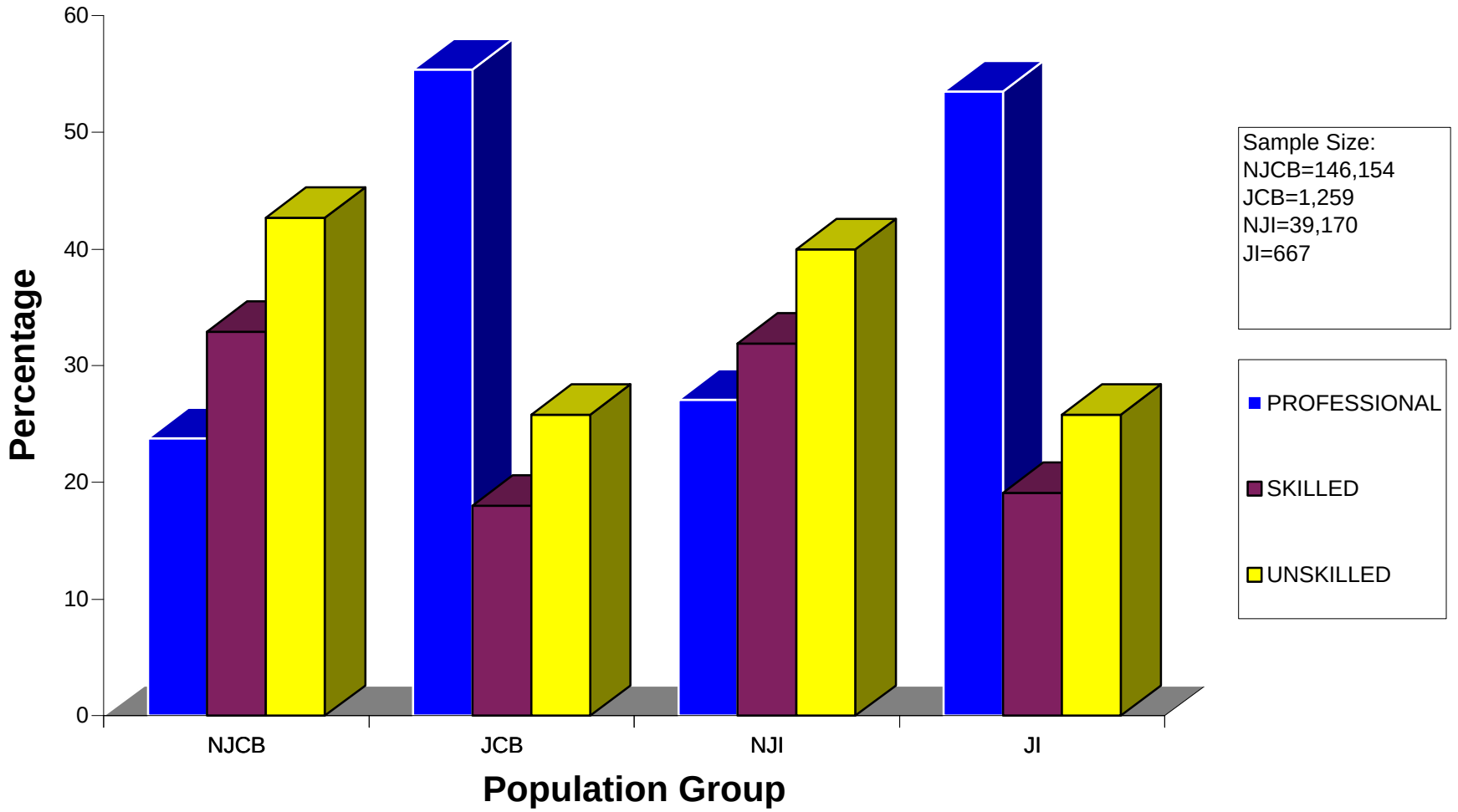
Language Spoken by Working Men in Canada



NJCB-Non Jewish Canadian Born
NJI-Non Jewish Immigrants
JCB-Jewish Canadian Born
JI-Jewish Immigrants

Source: Census of Canada, 1991

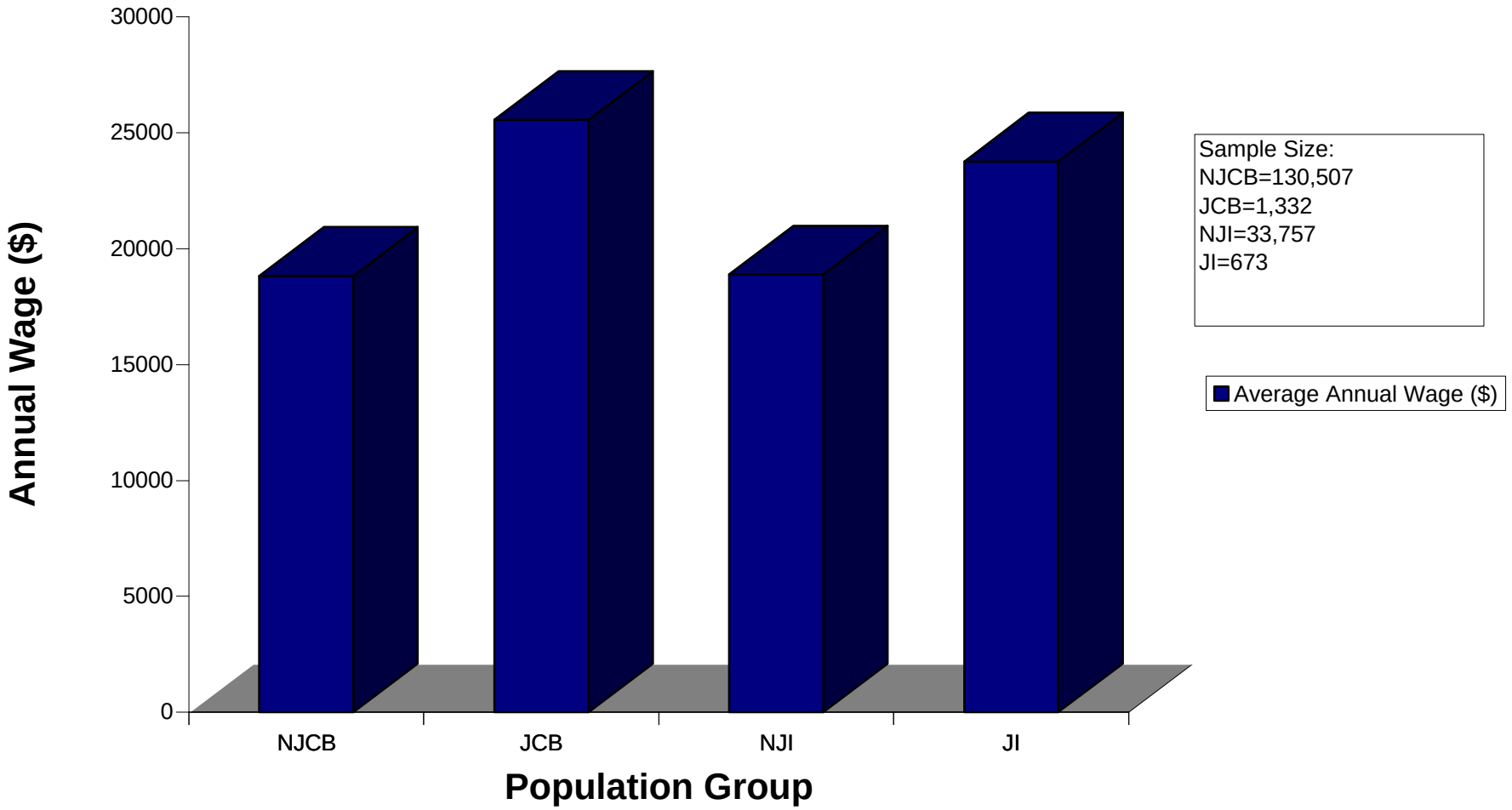
Level of Occupation of Working Men in Canada



NJCB-Non Jewish Canadian Born
NJI-Non Jewish Immigrants
JCB-Jewish Canadian Born
JI-Jewish Immigrants

Source: Census of Canada, 1991

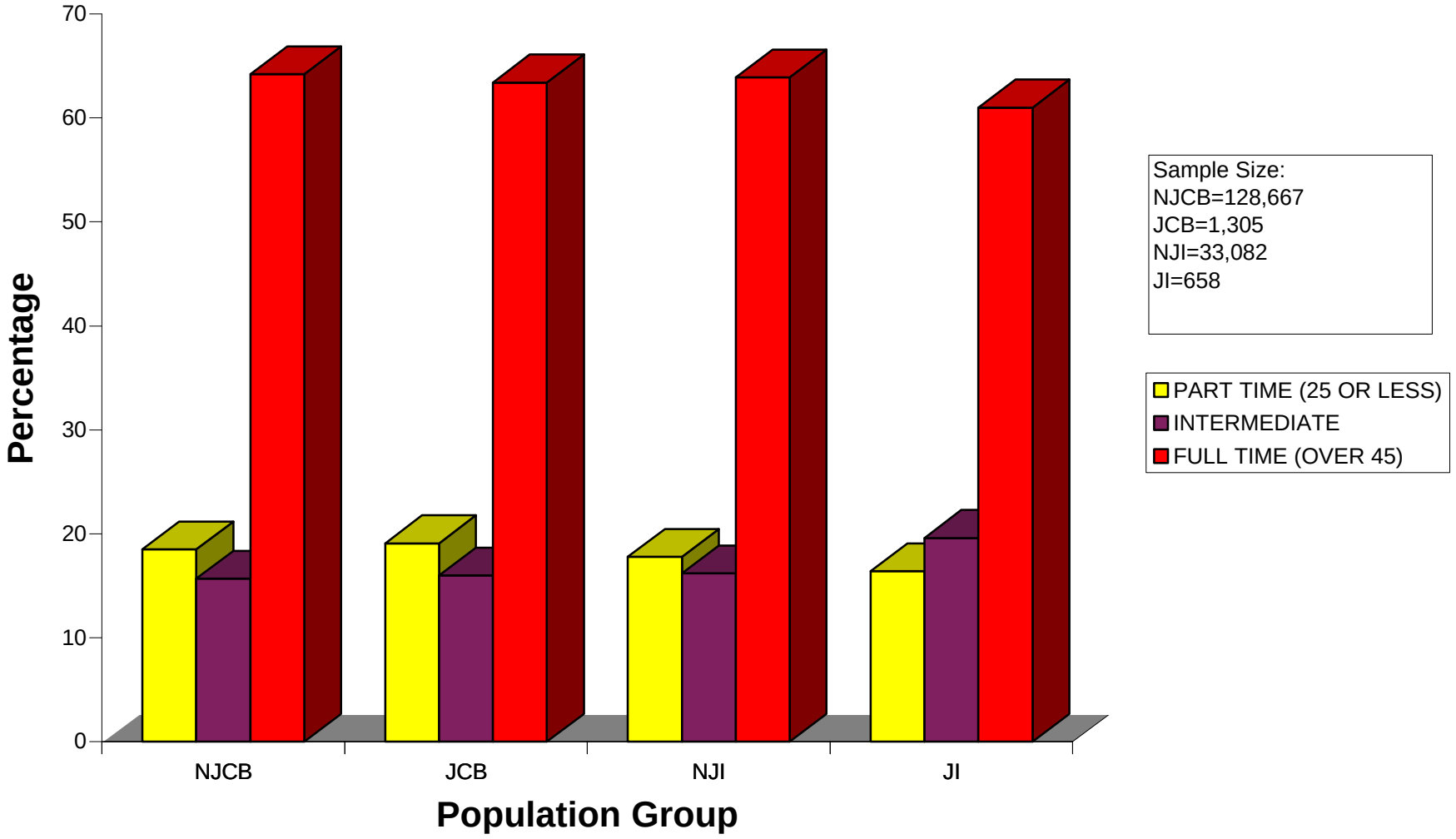
Average Annual Wage of Working Women in Canada



NJCB-Non Jewish Canadian Born
JCB-Jewish Canadian Born
NJI-Non Jewish Immigrants
JI-Jewish Immigrants

Source: Census of Canada, 1991

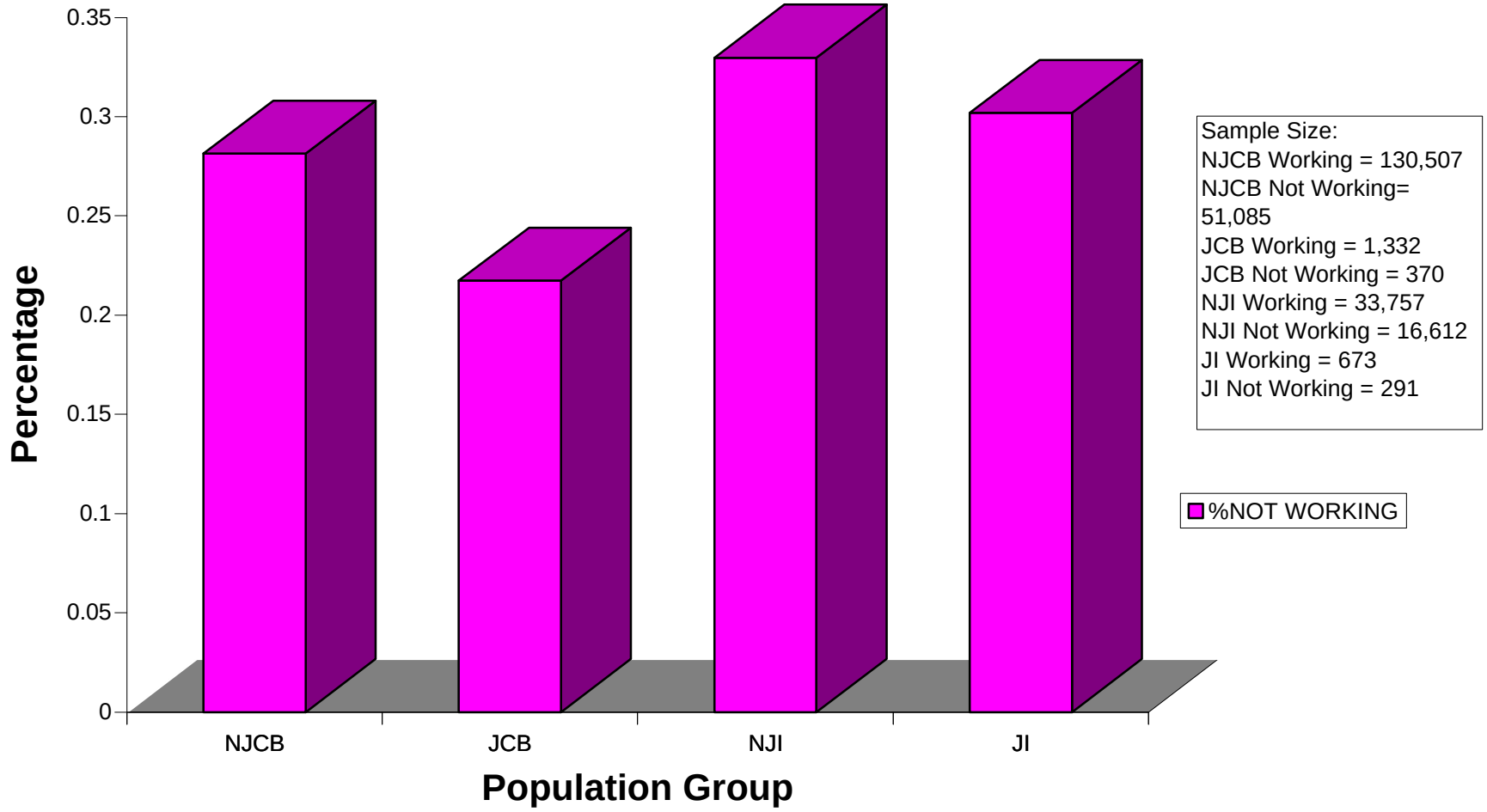
Number of Weeks Worked by Working Women in Canada



NJCB-Non Jewish Canadian Born
JCB-Jewish Canadian Born
NJI-Non Jewish Immigrants
JI-Jewish Immigrants

Source: Census of Canada, 1991

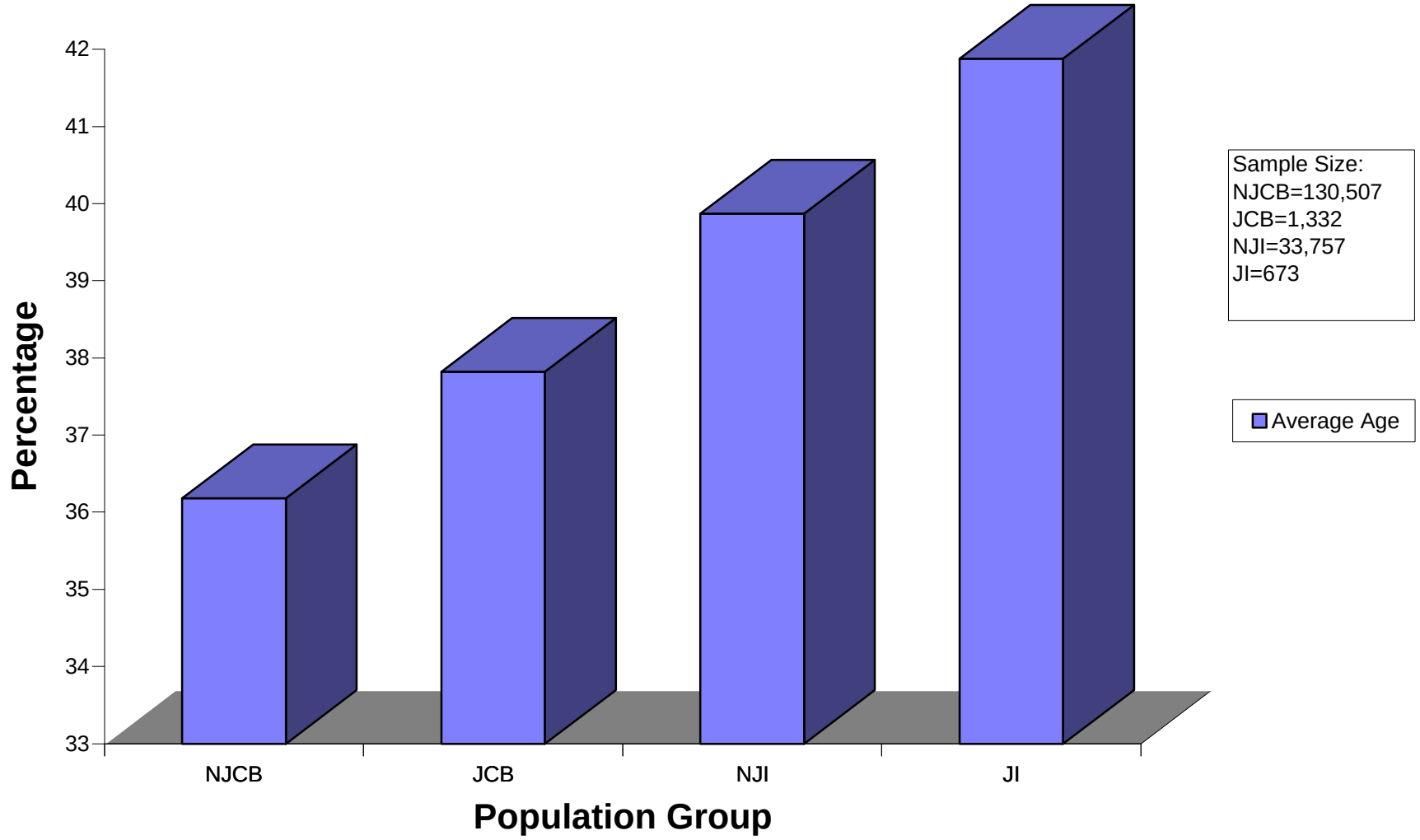
Women in Canada Not Working Relative to the Total Working and Not Working



NJCB-Non Jewish Canadian Born
JCB-Jewish Canadian Born
NJI-Non Jewish Immigrants
JI-Jewish Immigrants

Source: Census of Canada, 1991

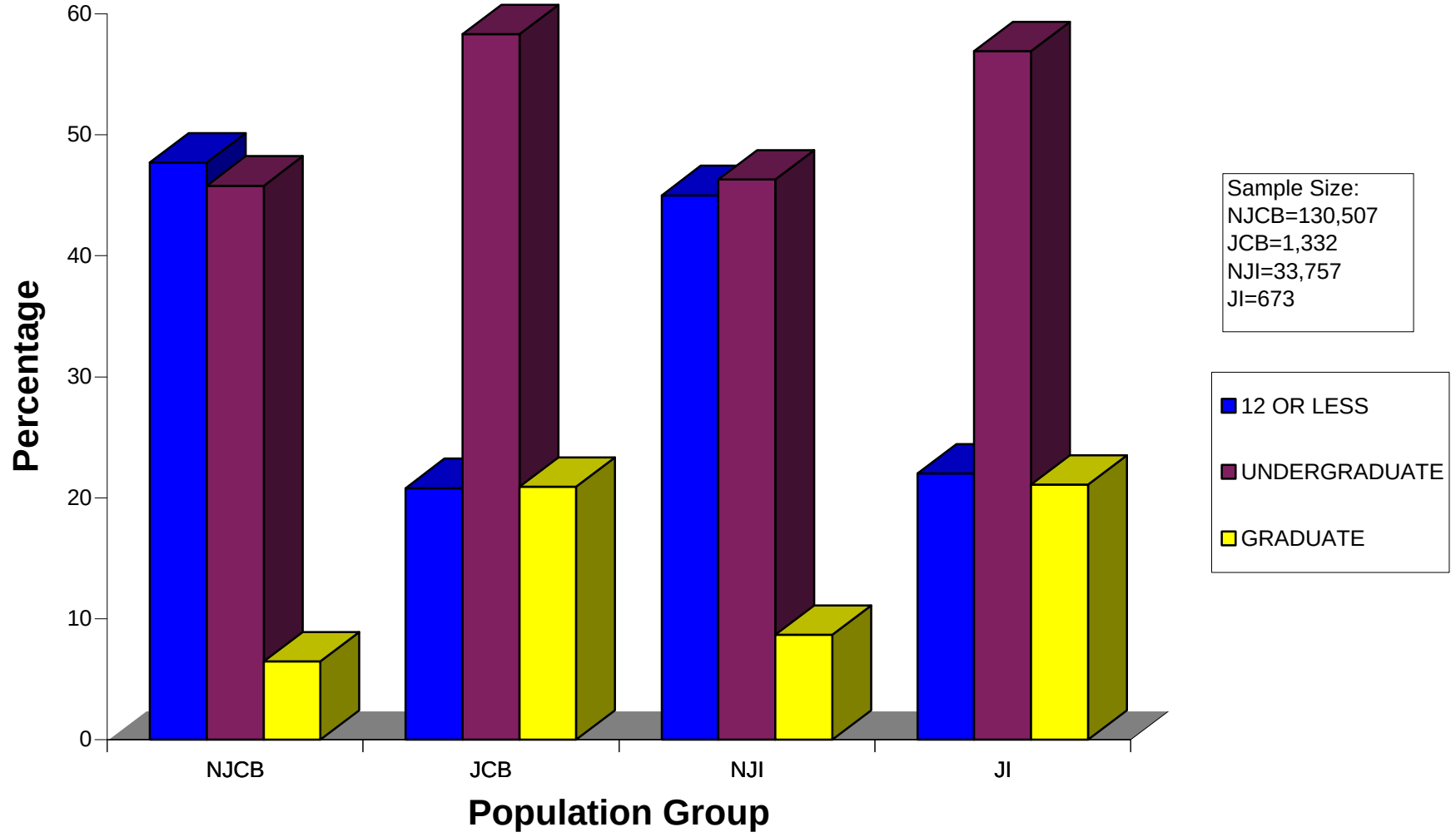
Average Age of Working Women in Canada



NJCB-Non Jewish Canadian Born
JCB-Jewish Canadian Born
NJI-Non Jewish Immigrants
JI-Jewish Immigrants

Source: Census of Canada, 1991

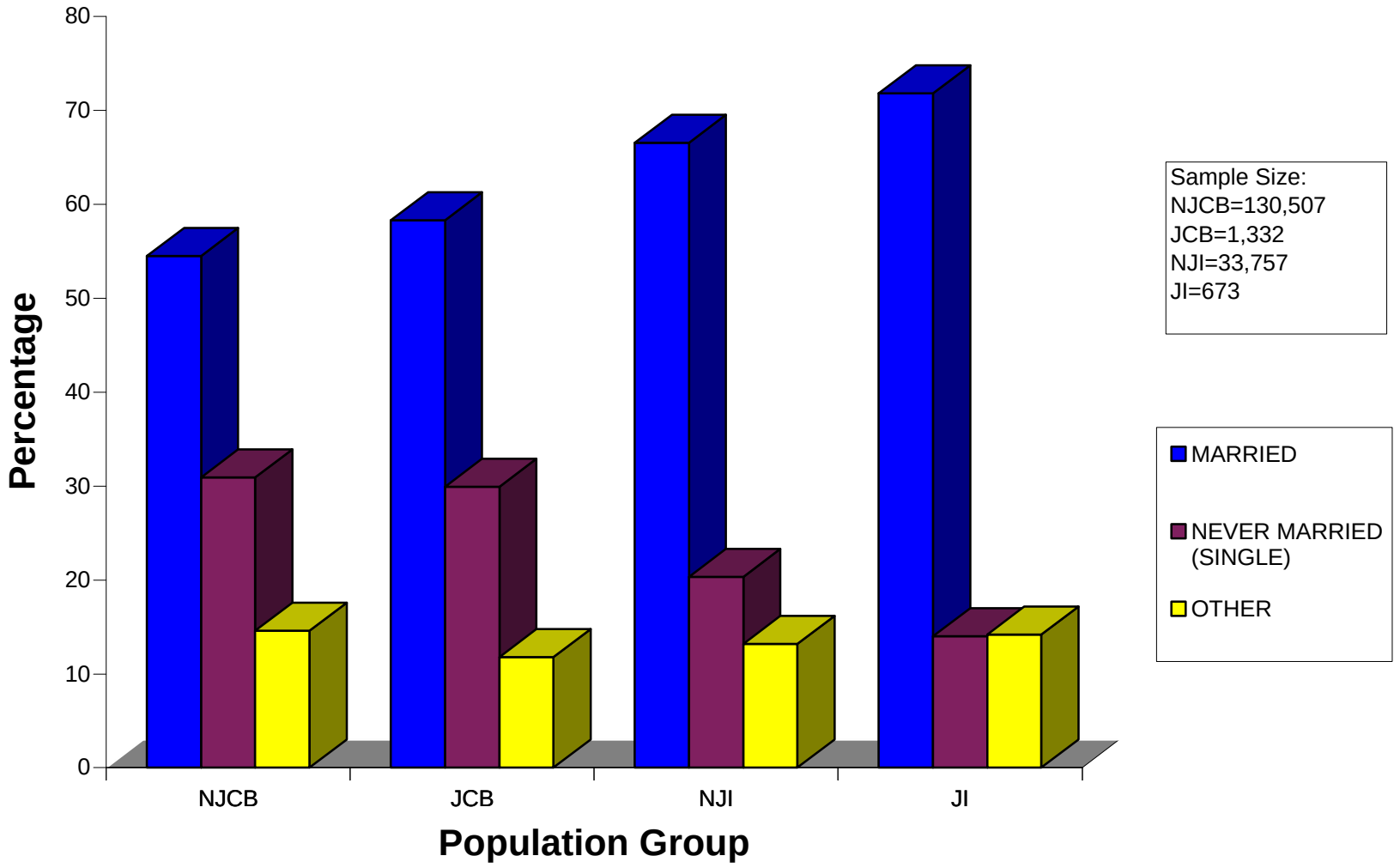
Total Years of Schooling of Working Women in Canada



NJCB-Non Jewish Canadian Born
JCB-Jewish Canadian Born
NJI-Non Jewish Immigrants
JI-Jewish Immigrants

Source: Census of Canada, 1991

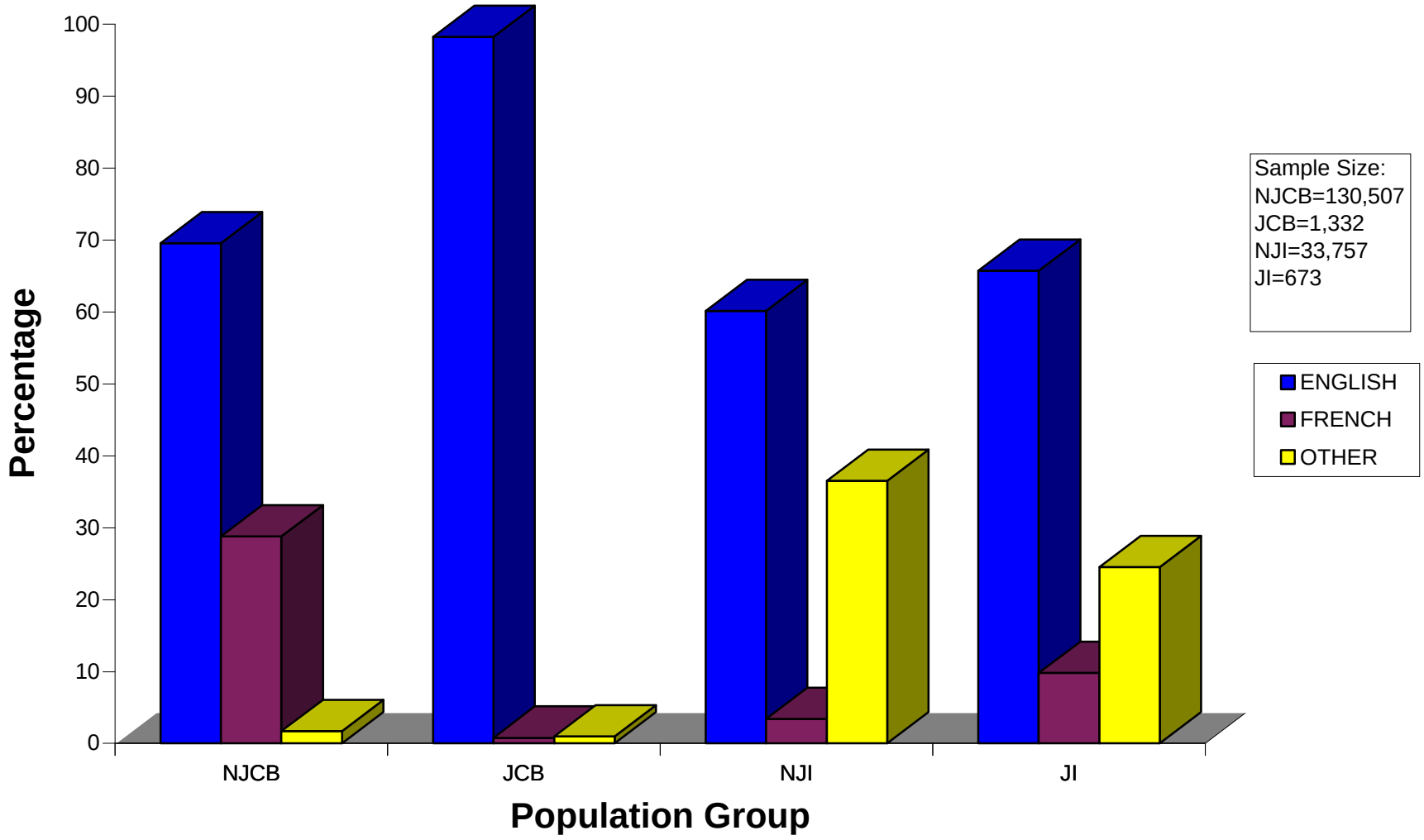
Legal Marital Status of Working Women in Canada



NJCB-Non Jewish Canadian Born
JCB-Jewish Canadian Born
NJI-Non Jewish Immigrants
JI-Jewish Immigrants

Source: Census of Canada, 1991

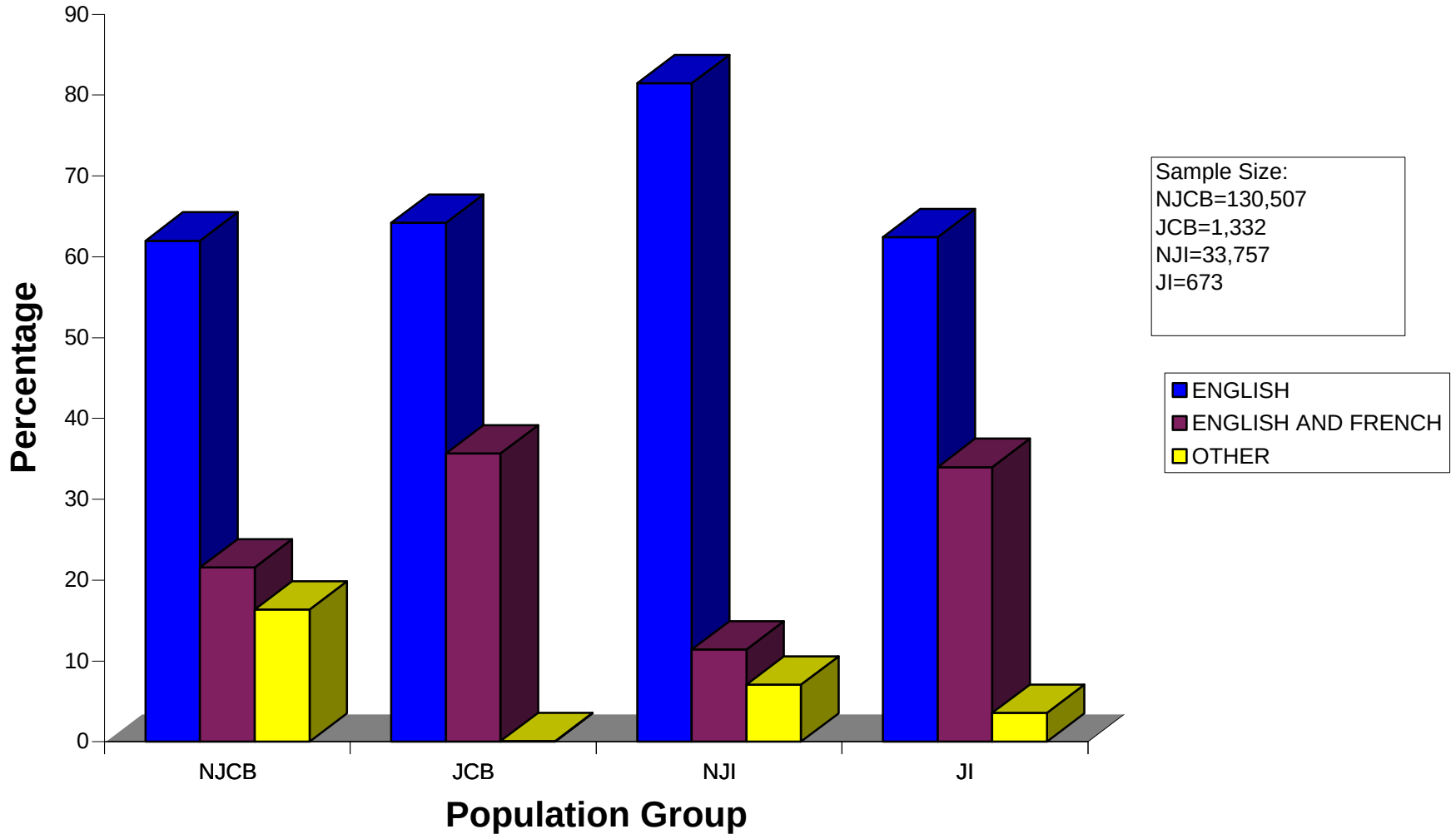
Home Language Spoken by Working Women in Canada



NJCB-Non Jewish Canadian Born
JCB-Jewish Canadian Born
NJI-Non Jewish Immigrants
JI-Jewish Immigrants

Source: Census of Canada, 1991

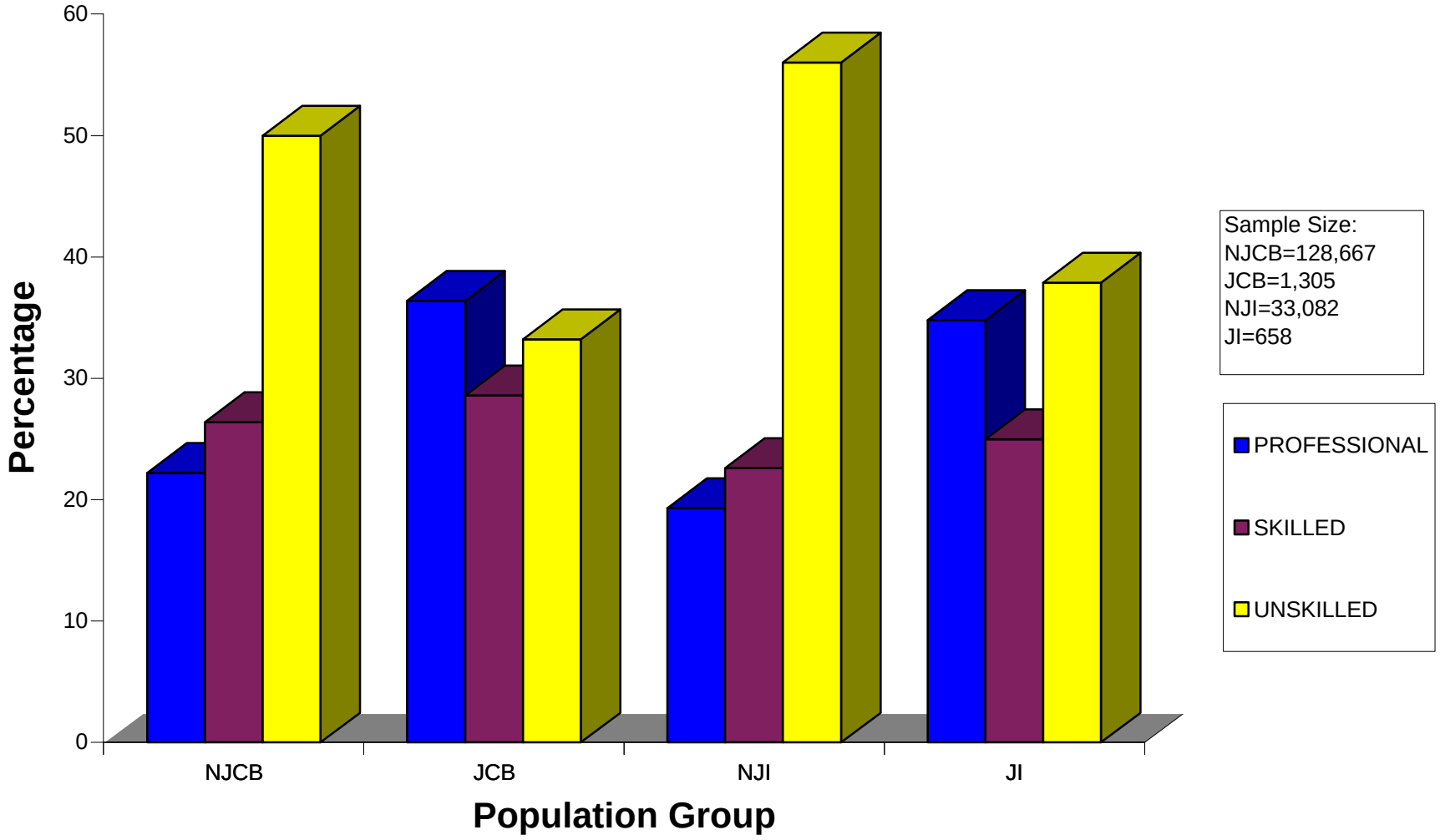
Language Spoken by Working Women in Canada



NJCB-Non Jewish Canadian Born
JCB-Jewish Canadian Born
NJI-Non Jewish Immigrants
JI-Jewish Immigrants

Source: Census of Canada, 1991

Level of Occupation of Working Women in Canada



NJCB-Non Jewish Canadian Born
JCB-Jewish Canadian Born
NJI-Non Jewish Immigrants
JI-Jewish Immigrants

Source: Census of Canada, 1991