

Title: Colour By Numbers: Minority Earnings in Canada 1996-2006

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Research Question:

We assess the degree to which Canadian-born minorities face earnings differentials as well as the degree to which those differentials have changed over time. Because minority workers are younger and more educated than majority workers, we control for age, education, and many other characteristics of workers. Some estimates control for personal characteristics (age, education, marital status, official language knowledge, and census metropolitan area of residence). Others control for both personal characteristics and work characteristics (occupation, industry sector, weeks of work, and full-time or part-time status).

Importance:

About half of the Canadian population report origins other than British, French, or Canadian, and about one in five report non-European origins. People of non-European origin are concentrated in Canada's large cities, some of which will be majority non-white within twenty years. As Canada becomes more ethnically diverse, is it becoming more economically integrated?

Research Findings:

We find that the earnings gaps faced by Canadian-born visible minorities have not eroded since the 1990s. This is somewhat surprising given that the size of this population has radically increased over the last twenty years. Other patterns observed in the 1990s, such as the relatively poor earnings outcomes of South Asians and Blacks and the relatively poor visible minority outcomes in Montreal and Toronto, are still evident into the 2000s. An exception to the bleak outlook is that persons of both Caribbean and Aboriginal origins have seen substantial convergence in their earnings relative to majority workers.

Implications:

Since visible minority earnings gaps have not gotten smaller as Canadian society has become "less white," we are not confident that the mere passage of time will erase visible minority economic disparity. This suggests that activist anti-discrimination policy may be warranted in the coming decades.