Country of Birth and the Economic Performance of Recent European Immigrants in Canada

by

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Supervisory Committee

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Abstract

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This thesis analyzes the economic performance of recent European immigrants to Canada. The data source for the analysis is the Longitudinal Survey of Immigrants to Canada, which followed immigrants entering Canada during 2000-2001 for four years[1]. The purpose of this research is to examine the general category of European immigrants by region and country of birth in order to better understand the experience of immigrants in the Canadian labour market during their first years of settlement. Several important differences are observed within the European immigrant population in terms of economic performance. While Southern and Eastern European immigrants appear to have a slow start, their labour market performance improves rapidly, rivalling Western European immigrants after four post-immigration years. Immigrant category, education, and home language have a significant effect on overall labour market performance of recent European immigrants to Canada.

[1] The analysis in this thesis is based on survey microdata for the Longitudinal Survey of Immigrants to Canada provided by Statistics Canada through the Research Data Centre Program.
All views and interpretations are those of the author and do not represent the position of Statistics Canada.

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Chapter 1: Introduction

Canada is one of the major immigrant-receiving countries in the world. In 2001, immigrants accounted for 18.4% of Canada's population, a higher share than in any other OECD country except Australia and Switzerland (Strategic Research and Statistics, 2005, p. 14). In fact, since the early 1990s, more than 225,000 immigrants per year have been admitted to Canada from all corners of the world (Statistics Canada, 2001).

Canada's immigration policy has a number of objectives including meeting labour market needs, family reunification and humanitarian goals. The policy has changed over time and so has the make-up of immigrants entering the country. While there has been a surge of immigrants from non-traditional source regions such as Asia and Africa over the last decade or so, European immigrants continue to arrive in masses. According to the 2001 Census, Canada has a total of 5,448,480 immigrants, 2,287,555 of which are from Europe. Breaking this figure down further, it is evident Southern European immigrants make up the majority of European immigrants with a population of 715,370. British immigrants make up a population of 606,995. There are 494,820 immigrants from the rest of Northern and Western Europe and, finally, 471,365 from Eastern Europe (Statistics Canada, 2001).

Over the past couple of decades, there has been an abundance of literature dealing with the economic performance of immigrants in the Canadian labour market (e.g. Chiswick and Miller, 1988; Bloom, Grenier and Gunderson, 1995; Bloom and Gunderson, 1990; De Silva, 1992 and 1997). In these analyses, economic performance is

largely measured by looking at total income and wages received in the labour market, including that from self-employment. Most of the empirical studies in this area have examined the labour market attainment of immigrants in comparison with the native-born population. The immigrants' integration into the labour market is, in turn, determined in such a way that the closer their earnings are to native-born Canadians with comparable characteristics (i.e. comparable levels of human capital primarily in terms of education and occupational credentials), the greater the economic integration.

One prominent feature of the literature pertaining to Canadian immigrants and the labour market is that most of the studies have, in one way or another, chosen to treat immigrants homogeneously, or generalize findings based on broad categorizations. An example of this are studies which talk of Asian vs. African vs. European immigrants without differentiating within these groups (Li 2000; Aydemir 2005; Christofides and Swidinsky 1994). Researchers commonly address the 'big picture' questions such as how do European immigrants perform in the Canadian labour market (Bloom and Gunderson 1991; Bloom, Grenier and Gunderson 1995; Reitz and Breton 1994), but do not address the question of whether there might be considerable variation in economic performance *within* some of these large-scale groupings. This leaves open the question of how more specific immigrant groups fare in the Canadian labour market and what differences exist among them. Examining the large regional categories by country of birth may be fruitful as a form of exploration in that it may be possible to uncover more nuanced variations among groups that could not otherwise be uncovered when generalizing based on broad classifications.

This project will aim to go a step further from most of the current literature and raise questions about a "Europe" category by investigating country-specific differences within the continent. Details will be given a bit later, but suffice it to say at this point that Europe has been one region which has been repeatedly treated as a unitary entity in the literature. At the same time, it has also been an entity within which selective studies have found glimpses of variation in terms of how immigrants perform in the Canadian labour market, either by simply comparing Western to Eastern Europeans or occasionally examining a few individual countries (Pendakur and Pendakur 1996; Pivnenko and DeVoretz 2003; Boyd 1992), warranting a more detailed exploration of within-continent differences in how European immigrants perform in the Canadian labour market.

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Utilizing the Longitudinal Survey of Immigrants to Canada (LSIC), the objective in this project is to move beyond an investigation of Europe as a single, homogenous category. The purpose is not only to analyze and compare how Western, Eastern and Southern European immigrants to Canada perform in the labour market, but to also explore between-country differences. The main purpose of this analysis will be to compare across the various countries of birth, both within and among European regions, and provide possible explanations as to why certain groups tend to do better or worse economically in Canada over the course of their first four post-immigration years.

This project will be divided into a number of sections. First, there will be a literature review summarizing some of the research that has already been done in relation to this topic. This section will also reiterate the purpose and the main objectives of this

analysis. Chapter 2 will describe the methods and the data used in this analysis. Chapter 3 will outline the findings. In Chapter 4 there will be a summary and discussion of these findings and how they support or dispute the hypotheses set out in the introduction. Finally, the conclusion will summarize the benefits of this analysis, how it contributes to the current literature as well as how it can be a stepping stone for future research.

Literature Review

Over the past couple of decades, there has been an abundance of literature dealing with the economic performance of immigrants in the Canadian labour market (e.g. Chiswick and Miller, 1988; Bloom, Grenier and Gunderson, 1995; Bloom and Gunderson, 1990; De Silva, 1992 and 1997). This type of investigation is important in a country such as Canada where, according to the 2006 Canadian Census, 19.4%[2] of the population is foreign born (Statistics Canada, 2006). In these analyses, economic performance is largely measured by looking at total income and wages received in the labour market, including that from self-employment. Most of the empirical studies in this area have examined the labour market attainment of immigrants in comparison with the native-born population. The degree of proximity in earnings between the two groups is, in turn, equated with the degree of economic integration of an immigrant group, or immigrants in general. Studies such as this typically examine the degree to which immigrant earnings are close to the earnings of the native-born Canadians with comparable levels of human capital, primarily in terms of education and occupational

[2] This is the highest proportion since 1931 when 22.2% of the population was foreign-born. In 2001, the foreign-born represented 18.4% of the population.

credentials (Bloom, Grenier and Gunderson, 1995; Wright and Maxim, 1993; Green and Green, 1995; Baker and Benjamin, 1994; Akbari, 1999; Nakhaie, 2006).

Human Capital Perspective

Human capital has been of particular importance in the context of Canadian immigration. For one, it offers the basis for the current 'points system' used to select immigrants. The idea behind the points system is that there is a type of immigrant that best suits Canada from an economic standpoint. This 'ideal type' is based on human capital theory's assumptions, as it portrays a "highly-skilled, well-educated, English or French-speaking, upper class male" (Abu-Laban and Gabriel, 2002, p.97). Moreover, human capital theory has been used in many studies to assess the economic performance of immigrants, either compared to Canadian-born individuals or between various immigrant groups themselves (Coulson and Devoretz, 1993; Akbari, 1999; Li, 2003). Human capital theory states that education, on-the-job training and other skills result in the accumulation of knowledge which increases work productivity and is, in turn, reflected in an individual's level of earnings (Osberg, 1981; Salamon, 1991; McBride, 2000). Due to the theory's focus on education, training and work experience, inequality is justified by individual achievement alone. In the context of immigration, the income differential between immigrants and non-immigrants is believed to be caused by the immigrants' lack of adjustment and knowledge about labour markets in their new country of settlement, as well as other individual factors.

Human capital theory has, however, faced much criticism from scholars who believe that structural barriers within the Canadian labour market are a greater factor in determining the economic performance of immigrants (Frenette and Morissette, 2003; McDonald and Worswick, 1998; Aydemir and Skuterud, 2004; Reitz 1998). One important issue pertaining to this group of researchers who believe that the economic performance of immigrants is largely determined by the economic and social structure of Canadian society, itself, is the devaluation or lack of recognition of foreign credentials. More specifically, researchers have found that the country or region where the highest level of education was received is an important factor in determining the value of that education in Canada. Findings show that degrees obtained in Western and Northern Europe are valued more than those obtained in other source regions and allow for a better economic performance in the Canadian labour market in terms of earnings (Thompson, 2000; Adamuti-Trache and Sweet, 2005; Ferrer and Riddell, 2008).

“European” Immigrants

Considering that this analysis will investigate recent European immigrants to Canada and how they perform economically over the first few post-immigration years, the country where the highest level of education was attained will be explored as an important factor in the immigrants’ integration into the Canadian labour market. While previous studies have used the Canadian-born population as the benchmark group in their analyses against which to compare the performance of immigrants, the economic performance of European immigrants in this analysis will be determined by comparing income and employment status within the European immigrant population, itself i.e.

Western Europeans compared to Eastern and Southern European ones. Details will be given later on.

One prominent feature of the literature pertaining to Canadian immigrants and the labour market is that most of the studies have, in one way or another, chosen to treat immigrants homogeneously, or generalize findings based on broad categorizations. While some researchers do not even differentiate among various groups of immigrants, preferring instead to emphasize racial and other differences across all immigrant countries of origin, others work with 'wide' definitions of region of origin talking of, for example, Asian vs. African vs. European immigrants without differentiating within these groups (Li 2000; Aydemir 2005; Christofides and Swidinsky 1994). Admittedly, this might be necessary in small sample surveys, since there is not otherwise enough statistical power to detect between-group differences. In larger studies such as those utilizing the Census, however, research has pointed to the presence of major differences within regions otherwise treated as homogenous. This implicit assumption of the homogeneity of immigrants has especially characterized the analysis of European immigrants. For example, Bloom and Gunderson (1991) and Bloom, Grenier and Gunderson (1995) used 1971, 1981 and 1986 Canadian Census data to incorporate the changes in the cohort effect in the assimilation process. The authors used immigrants who arrived prior to 1956 as the reference category to which they compared immigrants coming into Canada in 5-year intervals starting from those who entered Canada between 1956 and 1960 up to those who entered between 1981 and 1986. Altogether, the researchers dealt with six cohorts of immigrants, analyzing their economic performance

in Canada in relation to the reference category. Bloom, Grenier and Gunderson concluded that negative entry effects are found to be much stronger for immigrants originating from Asia, Africa, and Latin America than for immigrants from traditional sending regions — Europe and the United States (treated as one category).[3] Other authors reported similar findings. In their investigation of immigrant socio-economic incorporation[4] into Canada based on their analysis of the 1986 census, Reitz and Breton (1994) did not differentiate among various European and non-European groups. Instead, they concluded that immigrants of European origin earned as much as English Canadians, after adjusting for education and other demographic factors such as language skills and work experience. They went on to say, however, that non-European immigrant men and women, mainly Blacks and Asians, each had an income disparity relative to European immigrant men and women respectively (1994, p 104).

In general, there has been a limited number of studies looking at more specific immigrant ethnic groups and how they perform in a host country. There is, however, a set of literature consisting of one-group or few-group studies – studies which, while possibly making comparisons to a native population, focus on only one or a small handful of countries of origin (Chiswick, 1983 and 1993 on Jews in the US; DeVoretz and Dean, 1996 on Jews in Canada; Suzuki, 2002 on Japanese in the US; Blackaby et al., 1998 on Indians, Black Caribbeans and Pakistanis in the UK; Pivnenko and DeVoretz, 2003 on Ukrainian immigrants in Canada and the US). The lack of an analysis focusing on

[3] The authors do not explicitly discuss the UK, so it's assumed to be part of Europe.

[4] Reitz and Breton use two measures of socio-economic incorporation: 1) the overall disparity in occupational status or earnings between the immigrant group and the reference group, and 2) the disparity in status or earnings that remains after adjustments have been made for differences between the groups in job qualifications such as education, language skills, and work experience.

specific countries, or on even slightly wider territories (e.g. regions within a continent), of origin has especially characterized research done on European immigrants to Canada.

While much of the past research has treated European immigrants as a homogenous category (aside, perhaps, from visible minority status), some contemporary studies do point to a much more complex situation in which various ethnic European groups perform differently in the Canadian labour market. These studies include Pendakur and Pendakur (1996), Boyd (1992), Nakhaie (2006) and Pivnenko and DeVoretz (2003). These Canadian researchers have all made the claim that considerable heterogeneity exists within European immigrants with regards to their economic performance in the Canadian labour market and that immigrants do not have homogenous experiences with respect to wages and salaries (Boyd 1992). Pendakur and Pendakur (1996) note that, "Lumping all the European ethnic groups together, or combining all the visible ethnic groups together, appears to lead us to a false picture of wage disparities" (p. 24). All of these studies use Census data and all use the natural logarithm of annual earnings as the dependent variable.

Pendakur and Pendakur (1996) used individual-based data from the 1991 Canadian Census. The respondents who were not in the workforce were excluded from the analysis. The final dataset comprised of all permanent residents, aged 20 to 64, not in school full-time living in provinces outside the Atlantic region whose primary source of income was from wage labour sources (1996, p. 5). The analysis controlled for: full-

time/part-time status, weeks worked in 1990, CMA[5], household type, occupation, industry, education level and knowledge of English or French.

As part of their investigation, Pendakur and Pendakur disaggregated Europe into specific countries of origin for a more in depth analysis of how immigrants perform in the Canadian labour market. The writers found that Greek immigrants faced an earnings gap of 17% when compared to native Canadians. Pendakur and Pendakur also found that Portuguese men face an income disparity of up to 16%. Boyd's (1992) analysis of the 1986 Canadian Census revealed the same results in that she found that immigrants (both men and women) from Eastern Europe, Greece and Portugal had incomes that fell substantially below the average of that of the total foreign-born population in Canada. She referred to these groups of people as the "disadvantaged non-visible ethnic minorities." Pendakur and Pendakur went on to report that, in comparison to native Canadians, Balkan origin men faced an earnings gap of 14%, while Spanish single-origin women faced a statistically significant earnings penalty of 16% in comparison to British origin Canadian-born women (1996). Reza Nakhaie (2006) made essentially the same observations as both Pendakur and Pendakur and Boyd even though he used a different reference category. Nakhaie used British immigrants as the reference category, while Pendakur and Boyd used those who were Canadian-born but identified as British as the comparison category for their analysis. In other words, Nakhaie made comparisons within the immigrant population itself, while Pendakur and Boyd compared the

[5] Census Metropolitan Area (CMA) defined by population size (Non-CMA, small CMA (<500 000), medium CMA (500 000-999 999), large CMA (1 000 000 +)).

immigrant population with native-born ethnically British Canadians. Nakhaie's analysis of the 2001 Census yielded similar results with regards to Greek immigrants but also added that Polish and Dutch immigrants had earned about 10% less than the British. Similarly, Hungarians, Germans, and Italians were significantly disadvantaged when compared to the British. In sum, Nakhaie found that there were a number of European immigrants groups that were severely disadvantaged in Canada, the most disadvantaged of which were Greeks, Hungarians, Dutch, and Polish, followed by Germans and French. Also, although Eastern European immigrants fared worse when compared to Northern and Western Europeans, the pattern was not a perfect one; after Greeks, Dutch were the most disadvantaged immigrant group, while Portuguese and Balkan immigrants did not differ significantly from the British.

Despite a few exceptions such as the ones just discussed, an investigation of the current literature shows that most researchers commonly address the 'big picture' questions such as how do European immigrants do in the Canadian labour market (Bloom and Gunderson 1991; Bloom, Grenier and Gunderson 1995; Reitz and Breton 1994), but do not address the question of considerable variation within some of these large-scale groupings. This leaves open the question of whether there are major differences among various immigrant groups in the Canadian labour market and what the nature of these differences might be. It also makes it impossible to address the questions of whether the agglomeration of countries with different cultures, languages and socio-economic levels of development was reasonable. In light of these issues, the present research will deal with recent European immigrants to Canada. Breaking down not only Europe, as a whole,

but also the larger regional categories within Europe by country of birth may prove to be a fruitful exploration in that it may be possible to uncover more nuanced variations among groups that could not otherwise be uncovered when generalizing based on broad classifications.

Gender

One thing emphasized in the current literature that will also be explored in relation to recent European immigrants in this project is that the economic performance of immigrants in the Canadian labour market is mediated by a number of intervening factors. Gender will be an important independent variable to take into consideration. Not only do women, in general, tend to have different experiences from men in the labour market, but immigrant women also have an added dimension of being foreign born, which also has an effect on how they are perceived in the economic sphere. The claim that foreign-born women are disadvantaged economically in relation to native-born males, females and foreign-born men is a consistent theme in the literature (Beach and Worswick, 1993; Boyd, 1984; Estable, 1986).

The economic disadvantage of foreign- born women has been expressed in two different ways in the literature. One possibility is that the disadvantages of being foreign born and being female act independently of each other to depress the position of women in the economic sphere. This constitutes an additive model of the double negative effect in which the lower position of women reflects the consequence of being foreign born plus the consequence of being female. A second possibility is that the fact of being female and

being foreign born have a combined disadvantage which is stronger than adding up the two disadvantages. This is represented by statistical interaction between the two negative statuses. This interactive model is more frequently invoked in discussions of immigrant women (Almquist, 1975; Epstein, 1973; Boyd, 1984).

Boyd (1985) used the data from the Canadian Labour Force Survey based on full-time paid (wages, salary and self-employment income) members of the labour force to suggest a few reasons for the presence of the double negative effect (additive model) which seems to characterize the reality of female immigrants in the Canadian labour market. The author suggests that employer discrimination by sex and birthplace may exist, which operates to the disadvantage of one group over another. Female immigrants are disadvantaged by both coming from and re-entering a sex-segregated economy that places women in lower labour market positions than men. Furthermore, the formation of ethnically and linguistically bounded local economies, which is a feature of immigrant receiving societies, may shape the employment patterns of female immigrants more so than men. Such shaping might arise from non-North American norms concerning the male approval over the place of work for females (Kosack, 1976) as well as from the tendency of males rather than females to be the first to receive instruction offered by Canadian language training programs (Boyd, 1985, p. 433). Boyd also states that several other researchers also suggest that the double disadvantage of immigrant women is part of a more general exploitation of workers in a class society and from the relation between core-capitalist economies and those of the dependent economies of the periphery (Kosack, 1976; Working Party on Women Migrants, 1978).

In her analysis, Boyd (1984) used occupational status as the dependent variable which was constructed as continuous. It was measured in Blishen-Mc Roberts scores[6]. Boyd observed that immigrant women did, indeed, have occupational statuses which were lower on average when compared to the other groups, which appeared to reflect not only their age, place of residence, social origins and education, but also their membership in two negative status groups: female and foreign born (additive model). This was not necessarily a new finding by Boyd as other research investigating lower occupational statuses of foreign born women in relation to their native born counterparts had made similar observations. What made Boyd's research a bit more insightful is that she discovered considerable stratification by birthplace within the foreign born population itself. She found that the average occupational status for women born in the UK or the US is higher than the average status observed for native-born women. The occupational status of native-born women is, in turn, higher than the average status of women born in Western Europe[7], Eastern Europe or other regions (Boyd, 1985). Boyd (1984) also highlighted the fact that the double negative effect of being female and foreign born is less of a factor for the occupational attainments of women born in the US and in the UK than it is for women born in Europe and elsewhere. She claimed that such data suggest that the double negative of 'immigrant and female' is less of a factor in occupational

[6] The Blishen-McRoberts classification system ranks occupational prestige or status based on their educational requirements and income characteristics. Each occupation is given a socioeconomic status (SES), with large values representing occupations with greater prestige, status and income; occupations with lower SES have less prestige, status and income. For example, in the Blishen SES rating, a judge has a score of 93.3, while cashiers have a score of only 28.3. Such ratings may be developed by asking people to rank the status or prestige of occupations, or they may be derived from income and education levels of those filling these occupations. The Blishen scale can also be used to differentiate between high, medium and low categories of occupational status e.g. high status= >50; medium= 30-50; low= <30.

[7] The Western European birthplace group was found to have the lowest socioeconomic origins, education and occupational statuses of all birthplace groups, a finding that reflects the inclusion of the Southern European birthplace groups in this category.

achievements of those immigrant women who are members of traditionally preferred groups (i.e. UK and US) than it is for groups which in the past have been labelled as undesirable (e.g. Asians, Eastern European origins).

While Boyd did attempt to make a differentiation in terms of economic performance based on birthplace, the categorizations were still significantly broad. Since this analysis will not take into account the native-born population, it will investigate whether or not recent immigrant European women are truly at an economic disadvantage in relation to immigrant European men, and whether or not this gender-based disadvantage is more evident in some European groups than others.

Language Proficiency

Language proficiency is an important intervening variable in the economic performance of immigrants. Overall, knowledge of official languages plays a significant role in the immigrant's successful economic integration and prosperity in Canada (Boyd, 1992 and Aydemir, 2005). Knowing the language of the host society is essential for accessing information about employment opportunities and for performing most jobs. Most Canadian research, in turn, assumes a link between language knowledge and the socioeconomic position of immigrants. Knowing one or both of the official languages is assumed to mean a lower rate of unemployment, a higher position in the occupational structure and higher income compared to not being familiar with an official language (Boyd, 1992). Greater proficiency in the destination language can enhance earnings by allowing immigrants to explore the labour market better and find employment that best

matches their skills. Language proficiency can also have a direct impact on productivity through more efficient communication with supervisors, subordinates, peers, customers etc. Not knowing the language may mean that many jobs would end up being unattainable or difficult to find for the workers. Even when employed, such work may be located in ethnically segmented labor markets and/or in menial occupations in which extensive verbal exchanges are not necessary. Such employment conditions are usually characterized by low wages. Hence, earnings among immigrants are expected to be a rising function of the immigrant's proficiency in the official language of the destination country. This variable has, in fact, shown to be an important predictor of earnings in many studies (Tienda, 1983; Grenier, 1984; Neidert and Farley, 1985; Tainer, 1986; Poston, 1988; Boyd, 1990 and 1992, Aydemir, 2005). The issue that remains to be explored in depth, however, is to what extent English and French language proficiency in Canada among recent European immigrants impacts their performance in the labour market.

Aydemir (2005) lists language ability as one major explanation for the deteriorating entry earnings of immigrant cohorts to Canada from the 1960s to the 1990s. He used 1981, 1986, 1991, 1996 and 2001 Census data, creating a regression model in which he logged the dependent variable, weekly wage. After controlling for foreign experience and schooling (and using constant dollars), Aydemir found entry earnings of the 1995-1999 cohorts to be 26% (men) and 22% (women) lower than the entry earnings of the 1965-9 cohort. Even though this is a modest improvement from the 1990-4 cohort where entry earnings were 34% (men) and 30% (women) lower than the earliest cohort,

the differentials are still of concern. Since there were no subjective questions on language ability in the Census, he differentiated between immigrants who reported having knowledge of English or French and those who did not by gathering information on mother tongue and knowledge of official languages (adding a control for region of birth). The resulting cohort estimates indicated a small role for changing language abilities in explaining the deteriorating entry earnings of both immigrant men and women. The 1995-9 cohort estimate for men declines from 26% to 23%, while the female drops from 22% to 20%. Similarly, the 1990-4 cohort estimate for men drops from 34% to 30% and for women from 30% to 27%. These declines are explained by significantly lower earnings for all individuals with a mother tongue other than English or French and a gradual increase in the percentage of new immigrants with a foreign mother tongue. According to Aydemir's samples of full-time, full-year workers, 79% (men) and 76% (women) of the 1995-9 cohort have a foreign mother tongue, compared with only 50% (men) and 47% (women) of the 1965-9 cohort.

Researchers have used various measures in order to assess language proficiency. One such measure pertains to the ability to conduct a conversation in either of the Canadian official languages, English or French. Poston (1994) evaluated English language proficiency in his analysis as a dummy variable where it was coded 1 if the respondent said he could speak English "well" or "good," and 0 if "not well" or "not at all." Another measure may be related to whether or not one speaks a non-official language at home. Using the 1981 Canadian Census, Monica Boyd (1990) measured language proficiency by knowledge of an official language and how well one can carry a

conversation in it. Chiswick and Miller (2000) utilize the 1991 Census data, which contains information on the speaking knowledge of the official languages, knowledge of other languages, the language usually used at home, and mother tongue. They create a 'trichotomous language variable.' The first language state is the inability to conduct a conversation in either of the official languages of Canada, English and French (L1). The second language state is the ability to conduct a conversation in one or other of the two official languages, but the person usually speaks a non-official language at home (L2). In the third language state, the immigrant can converse in English and/or French and usually speaks one or both of these official languages at home (L3).

When it comes to assessing language skills, the Longitudinal Survey of Immigrants to Canada (LSIC) asks about mother tongue, the language most often spoken at home, and how well one can speak English or French. The drawback with analyzing the question "How well can you speak English/French?" is that the answers are subjective and they may not be an accurate depiction of the person's language skills. For example, a new immigrant coming from a country where English/French is not spoken may claim to speak English well, but, in actuality, his/her skills may be quite rudimentary in a society where English is the official language. Another problem with asking this interview question is that people may speak well in certain contexts and with regards to certain subject areas, but not others. Although it is true that LSIC has a number of follow-up questions, for example, about how easy it is for one to tell someone his/her address, or how easy it is for one to tell a doctor what the problem is, these questions are very random and do not help to paint a more detailed picture of an immigrant's language

skills. Similar to this is the survey question regarding how well one can carry a conversation in a Canadian official language. As was seen in the previous paragraph, both Boyd (1985) and Chiswick and Miller (2000) utilize this variable as a viable indicator of an immigrant's language ability. The problem is that the variable is used too broadly in that it does not take into consideration context. In other words, what type of conversation is necessary to be had for one to say that someone has good or poor language abilities?

The present project will use the LSIC variable pertaining to language most often spoken at home in Canada as an indicator of language proficiency. Even if the individual's mother tongue is not English or French, it is likely that speaking a Canadian official language at home most of the time greatly improves one's language skills. Due to problems with low numbers of respondents in certain language categories, the language variable here will simply be concerned with whether or not a person speaks a Canadian official language most of the time at home.

It should come as no surprise that the studies mentioned earlier find that different immigrant groups display relatively different levels of English or French language proficiency as well as different levels of non-English or non-French language use. According to the 2001 Canadian Census, 84.7% of German immigrants to Canada speak either English or French at home, while only 29.4% of Greek immigrants do the same. The statistic for Polish immigrants is 40.3%, for Portuguese immigrants it is 39.1%,

while for the Dutch and French immigrants, it is 90.0% and 97.4% respectively. The 'other Europe' category stands in at 68.7% (Baer, 2008).

Combining these statistics on language proficiency and the previous statistics provided by researchers on income levels of various immigrant groups, there appears to be a pattern. It seems that those who speak an official language less at home, e.g. Greeks, Italians and Portuguese, are also on the lower end of the income scale when compared with native Canadians as well as other European immigrant groups. This finding warrants a further investigation of other European immigrant groups and the impact of language proficiency on income. Is it really the case that those who speak a non-official language at home do not perform as well in the labour market as those who do speak a Canadian official language at home? In other words, the issue is to what extent does language proficiency enhance performance in the Canadian labour market among recent European immigrants? In this investigation, it will be expected that the less often one speaks English at home, the less successful one is in the labour market in terms of income. Using LSIC data, the analysis will also explore slope effects. The argument will be that the steeper the slope in relation to one's language proficiency over the three LSIC waves, the steeper the income slope as well. In other words, the slope pertaining to language proficiency will be hypothesized to be directly proportional to the income slope.

Class of Immigration

Besides language proficiency, another important variable to take into consideration during the research process is class of immigration. Estable (1986) and

Wanner (2003) both argue that immigrant status upon entry has an important impact on one's social and economic life in Canada over time. While Wanner focuses on the economic impact of entering Canada as a skill-based immigrant as opposed to entering in the family class, Estable explores the economic and social consequences of immigrant class on women, in particular.

Richard Wanner (2003) investigated the impact of the entry class of immigrants on success in the Canadian labour market in terms of earnings. He estimated models predicting log earnings from the entry class composition of each entry cohort by country of birth and its interaction with years since arrival controlling for other variables known to be related to earnings attainment such as: years of graded schooling, years of postsecondary schooling, labour force experience, ability to carry on a conversation in an official language, marital status and size of place of residence in Canada. Wanner used data from Citizenship and Immigration Canada's Landing Information Data System (LIDS) for 1980 to 1995 merged with the 1996 Census of Canada Public Use Microdata File.

Wanner found that those immigrants who are selected based on the fact that they have sufficient skill to sustain in the Canadian labour market do have higher earnings upon arrival than those who are not screened i.e. family class and refugees. Over time, however, the earnings between the screened independent class and the unscreened classes converge, and these findings were observed in models that control for country of birth and its interactions with the human capital variables. In other words, Wanner found that

entry class makes less and less difference over time. Despite the fact that economic immigrants to Canada had an initial earnings advantage over those coming in under the family class (controlling for human capital factors such as education and language proficiency), their earnings growth was lower than that of the family class immigrants.

Economists such as Duleep and Regets (1996) and sociologists such as Jasso and Rosenzweig (1995) who have addressed reasons for why kinship-based immigrants do better economically over time have suggested that kinship-based immigrants may take advantage of family-support networks to enhance their training in the host country and to access employment opportunities in ethnic enclaves. Chiswick (1978) also addresses the difference in earnings between kinship-based and economic immigrants stating that despite the fact that economic immigrants may have higher initial earnings in the host country because they possess the skills in demand, these skill-based immigrants are less likely to make further investments in human capital in the host country than kinship-based immigrants and may consequently find themselves in a weaker position in the labour market as it changes over time. As a result, the rate of earnings growth of economic immigrants is expected to be lower that that of immigrants in the family class.

Alma Estable (1986) does not have as positive an outlook as Wanner on the economic progress of non skill-based female immigrants. She notes that a critical assumption in the Canadian immigration policy is that only independent immigrants are headed for the paid labour force (Estable, 1986, p. 10). Under the points system, only one person in a family, the “head,” is assessed for landed immigrant status, based on that

person's employability. Independent immigrants are entitled to receive up to a year of "subsidized, federal government-provided, full-time intensive language training" administered by Employment and Immigration Canada (CEIC) (Estable, 1986, p. 14). Assisted relatives or dependents who are not deemed to be headed for the labour market are not entitled to this along with other employment-related services (Estable, 1986, p. 14). Women, who make up about two-thirds of those entering Canada as "dependent" persons (Estable, 1986, p. 10), have fewer opportunities for learning or improving the English language, as well as having limited employment and job-training opportunities (Ralston, 1996, p. 5).

Estable argues, "Class of immigration is a legal, social and institutional construction that directly affects the way that immigrant women are integrated into Canadian economic and social life. A woman's class of immigration can carry long-term consequences affecting her economic survival, independence, chances of self-actualization, and even her safety in family and workplace" (1986, p. 8). This statement is in contrast to what Wanner writes since he believes that it is in the long-term (an average of 16.5 years) that non skill-based immigrants are the most successful, catching up in terms of earnings to the independent skill-based immigrants. Wanner argues that while the short-term economic goal of filling occupations in demand with skilled immigrants is certainly achieved by the points system, immigrants and refugees who may not fit in so well upon landing are clearly able to somehow acquire the human capital required to be competitive in the host country labour market over time as their earnings trajectory shows. Hence, the author concludes that if the relatively rapid earnings growth of

immigrants without screening for skills and labour market sustainability permits them to integrate into the Canadian economy as well as those who are screened, albeit with some delay, then the present policy of attempting to achieve economic, family reunification, and humanitarian goals works reasonably well.

While both the above authors focus on the 'long-term' effects (i.e. over 10 years) of entering Canada as a skill-based independent immigrant versus as part of the family class, the present project is only concerned with the economic progress of immigrants in the short-term, or over the first 4 post-immigration years. Despite the short-term focus in relation to economic performance, this analysis will still expect that immigrants coming into Canada under the independent class and as skilled workers would have initial earnings that are much higher compared to those coming in as dependents or spouses, assuming they are also headed for the labour force. Not only are skilled immigrants admitted into Canada because their credentials are in accordance with the need of the Canadian labour market, but they are also provided with certain services such as language and job-specific training to help speed up the integration process. These aspects put skilled immigrants at the initial economic advantage over dependents.

Despite the initial economic disadvantage, the lower starting point in terms of income for those coming in as spouses or dependents means that there is a lot of room for improvement. Over time, it is possible to acquire language skills, to attain more education and to get work experience, all factors that can help catapult those with initially low earnings to a much higher economic status. In fact, it is possible that those who feel at an

economic disadvantage upon arrival to Canada may be more motivated to invest in further education and work experience to improve their situation than those who have higher economic starting points and who may not make further investments in human capital, being content with their position (Chiswick, 1978). The analysis will interact immigrant class with both country of birth and gender in order to get a more nuanced portrayal of how different groups of immigrants perform in the Canadian labour market over the first four post-immigration years.

Education

The last individual independent variable that will be analyzed in this project is education. Both the level of education as well as the place where the highest degree was earned will be taken into consideration to assess the value of the foreign education in the Canadian labour market. This value will be defined by the return in earnings in the Canadian labour market over the immigrants' first four post-immigration years. Studies have shown that recent Canadian immigrants have increasing education levels but decreasing earnings (Baker and Benjamin, 1994; Bloom, Grenier and Gunderson, 1995; Frenette and Morissette, 2003). Some researchers claim that earnings of recent immigrants have dropped because the immigrants' human capital has actually been decreasing in the last few decades (Coulson and Devoretz, 1993) due to changes in the immigration policy such as increasing quotas of family- and refugee-sponsored immigrants. This theory has encountered opposition from researchers such as Wanner (2003) and DeSilva (1997) who show that while immigrants selected based on their skills and their potential for a contribution in the Canadian labour market do have an initially

higher income than those coming in under the family class, the earnings between the classes still converge over time.

Other scholars, however, claim that recent immigrants are earning less despite increasing education levels because of a devaluation of their foreign education as well as their work experience (Pendakur, 2000; Li, 2001; Li, 2003; Akbari, 1999; Pendakur and Pendakur, 1996). Buzdugan and Halli (2009) and Adamuti-Trache and Sweet (2005) both use the 2002 Ethnic Diversity Survey to examine the relationship between immigrants' educational credentials and earnings. They both use respondents aged 15-64 who report an income in 2000 and for whom employment is the main source of income. Buzdugan and Halli find that for immigrants living in Canada for less than 10 years, all degrees are less valued in the Canadian labour market compared to those obtained in Western Europe. In other words, results suggest that for East and South European degree holders, education positively affects earnings to a lesser extent compared to those with degrees from Western Europe within the first 10 post-immigration years.

Similar findings are uncovered by Pendakur and Pendakur (1996). While the researchers do not comment on whether or not education levels have been increasing or decreasing among immigrants over the last few decades, they do acknowledge that one important reason for an earnings penalty among educated immigrants in Canada is the non-recognition of academic credentials (see also McDade, 1988; DeSilva, 1992). Hence, the researchers explore the impact of place of schooling (Canada vs. abroad) and level of education on the earnings of immigrants to examine the issue in more detail.

They construct two regression models[8], one for males and one for females, looking at place of education by level of education, identifying regions from which educational credentials are rewarded and those from which they are not. At this point in the analysis, the authors are investigating broad regional groupings of countries (i.e. US/UK, Central Europe, Southern Europe, Other Europe, Asia or Africa, Other). One finding was that there are large differences in payoffs for schooling with respect to the location of the highest degree earned. The authors note that immigrant males receiving their schooling from the UK and USA receive up to a 13% bonus whereas those with degrees from Central Europe may expect a 13% penalty. In the 'some postsecondary' education category, males whose highest level of education is attained in 'other Europe' (which includes Northern Europe) earned about 8% less than native-born males educated in Canada (1996, p. 14). Results also show that women who received their degrees from Central Europe suffered a penalty of almost 22% in earnings in relation to those educated in Canada (1996, p. 13).

This analysis, however, will only look at one immigrant cohort and not compare it to any earlier or later ones and, therefore, will be unable to investigate whether the education levels of numerous groups of immigrants to Canada have dropped or risen over time. Despite this, however, the study will look at both the level of education of recent European immigrants and the more specific origin of that education to see whether or not

[8] Controls are: household type, city or province, official language knowledge, education, potential labour market experience in Canada and potential experience outside Canada, full-time/part-time status, weeks worked, occupation and industry.

Population age was 20-64, not in school full time, with Class of worker equal to wage earner.

Non-Atlantic residents only.

there is evidence of a devaluation of certain foreign credentials over others, namely whether or not degrees attained in Western Europe affect earnings more positively in the Canadian labour market than those attained in Eastern or Southern Europe over the first four post-immigration years.

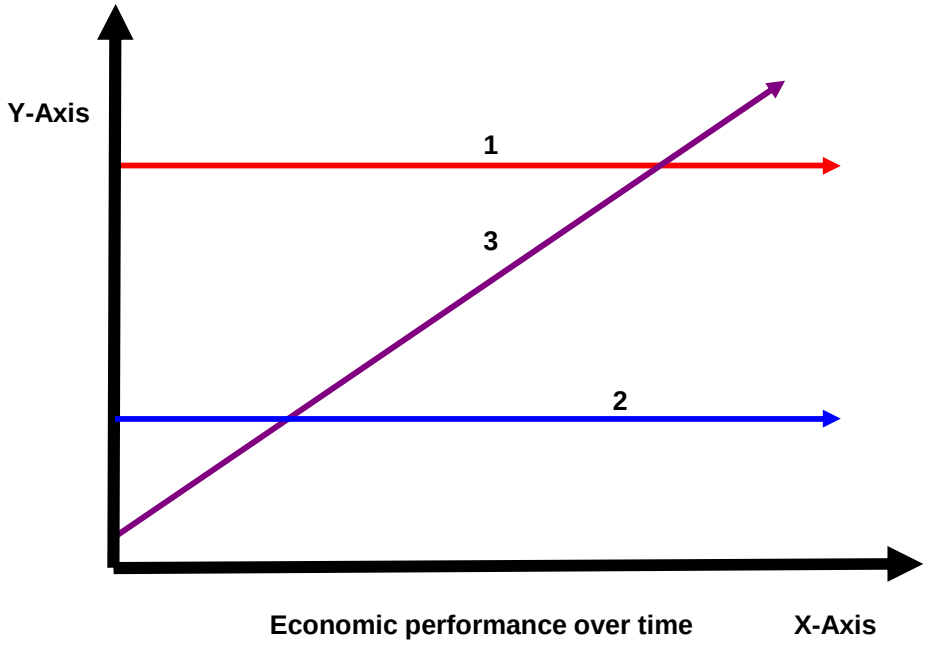
Working Hypotheses

Utilizing the Longitudinal Survey of Immigrants to Canada, my objective in this project is to move beyond an investigation of Europe as a single, homogenous category, or a tendency to equate Europe with Western Europe. My purpose is not only to analyze and compare how Western, Eastern and Southern European immigrants to Canada perform in the labour market, but to also further break down these regional divisions and even explore between-country differences where possible. I will explore inequalities in economic performance among recent European immigrants by focusing on the first four post-immigration years because I believe that these first few years in Canada are crucial in setting the stage for one's economic success over a much longer period of time. In contrast to some of the research reviewed earlier that compared a number of successive cohorts of immigrants in their investigation, this research will hold cohort constant by studying only one cohort and seeing how this same group of people, who entered the country at roughly the same time, perform economically over the same first four post-immigration years. Moreover, this analysis will attempt to provide a more in-depth investigation of the economic performance of European immigrants by having a set of individual countries of birth. The main purpose of this analysis will be to compare across the various countries of birth, both within and among regions, and provide possible

explanations as to why certain groups tend to perform better or worse in the Canadian labour market over the course of their first few post-immigration years.

I intend to assess explanations for differences in initial income (i.e. “intercepts”) and differences in changes in them (i.e. “slopes”) over the course of the first four years of an immigrant’s economic experience in Canada, again, because this period of time is particularly important to immigrants in building a foundation for economic success in the Canadian labour market over the long term. In the process, I will investigate how much of the pattern of the intercept (initial economic status) and how much of the pattern of the slope (changes over time) is attributable to human capital factors, and how much to structural factors such as region of birth and immigrant class. For a better understanding, the diagram below illustrates three different intercepts and slopes.

A Schematic Representation of the Economic Performance of Immigrants Over Time



The Y-Axis represents some measure of economic performance e.g. income. The X-Axis represents time i.e. income over the first four post-immigration years. The three lines are the different forms of slope illustrating three different economic scenarios that will likely be encountered in this project. Each slope corresponds to the economic performance of a certain group of immigrants. If we take the Y-Axis to represent income, Line 1 has the highest intercept, meaning 'immigrant group 1' has the highest initial income (i.e. highest income during Wave 1 of LSIC – the first six post-immigration months) of all the immigrants in the analysis. Line 1 also has a very shallow slope meaning that income starts off high and stays high over the first four post-immigration years for that group. Line 2 also has a shallow slope but in this case, 'immigrant group 2' has a lower initial income than the first group and their income stays at the same low level over time. Finally, Line 3 illustrates a steep upward slope meaning that 'immigrant group 3' has an initially very low income point but over time its income increases so that after four post-immigration years, depending on the rate of increase, this group may have greater earnings than most immigrants in the model despite its low starting point upon entry to Canada. This analysis will, therefore, look at economic performance over time and construct slopes for various immigrant groups to see how they correspond to each other. The purpose will be to look at the starting points (intercepts) as well as at the pattern of the slopes and analyze whether different slopes converge or diverge over time, and whether some are clearly steeper or shallower than others and why. Next is a list of hypotheses that will either be proven or disproven during the course of the analysis.

Hypothesis #1

I expect immigrants from Western European countries such as France and the UK to not only have the highest initial earnings and employment probabilities of all European immigrant groups, but to also have the shallowest slopes because they are most likely to integrate immediately into the Canadian social and economic fabric.

As previous research has shown, immigrants from traditionally preferred source countries such as these come to Canada with a high level of human capital, they tend to be proficient in at least one of the official languages and their credentials are easily transferrable due to a similarity between the education systems of Western Europe and North America as well as due to a similarity in labour market conditions. Moreover, the cultural connectivity to Canada allows these immigrants to acclimatise quickly to the new surroundings (Basavarajappa and Verma, 1985; Basran and Zong, 1998; McDade, 1988). Therefore, their slopes will be shallow because the earnings are predicted to start high and remain high. Even though there may be a slight increase in income over time, it will not be overwhelming because the high starting point would not allow for much more upward movement.

Hypothesis #2

On the other hand, I expect the income and employment slopes of immigrants from Eastern and Southern European countries to be much steeper than those pertaining to Western European immigrants. While I expect these immigrants to have obtained less human capital before leaving corresponding to a very low starting point in terms of

income and employment status in Canada (in comparison to Western Europeans), I expect them to have a very steep upward slope, indicating a 'catch-up' effect to Western European immigrants.

Immigrants from non-traditional source countries could have a much lower income starting point for reasons stated earlier such as lack of language proficiency, unfamiliarity with labour market, foreign credentials/education, and so would, in turn, have the most room for improvement in economic performance over time. This improvement could occur by obtaining greater familiarity with Canadian official languages, having Canadian work experience and attaining a more general knowledge of the labour market and its operations, all of which happens with time spent in the country.

There is a possibility, however, that the hypothesis does not prove true. After all, this analysis is only looking at economic performance over the first four post-immigration years which may not be enough time for these immigrants to show a major pattern of improvement in terms of economic performance. Some immigrants may find it more difficult than others to establish themselves in the Canadian labour market and may take longer than four years to see an increase in economic performance in relation to Western Europeans. Others still may find that a competitive level of economic performance is out of reach. Even though immigrants are selected on the basis that they will be able to integrate into the Canadian labour market, foreign education and work experience could be a major barrier to a swift transition into the Canadian labour market.

The above two hypotheses relate more generally to Eastern, Southern and Western European immigrants in terms of how they are expected to perform in the labour market. I, however, also expect there to be an interaction between gender and the country of birth because, as previous research has shown, men and women tend to perform or participate differently in the labour market. This leads to the next set of hypotheses.

Hypothesis #3

I expect men from Western Europe to have the shallowest slope. This group will feel the initial negative effects of being foreign-born the least in the Canadian labour market. Having "landed" in positions that are already close to the Canadian average, they have very little ground to make up. Their high social origins coupled with the fact that they are of a gender which is not only considered to be of high rank in a sex-segregated economy at the general global level, but is also assumed to be the one headed for the labour force in Canada would likely allow for this group to have impressive earnings right at the start and to maintain a high level of economic performance in the Canadian labour market over time as well.

Hypothesis #4

I predict that men from Eastern and Southern Europe will have a very steep upward income slope. Even though their initial income may be low (probably in third position after men and women from Western European countries), this groups has a lot of room for economic improvement over the course of the first few years in Canada. Even though they do not come from traditionally preferred source countries, their gender is in

their favour and since men are more likely than women to be in the ‘independent immigrant’ category when applying for immigration to Canada, they are the ones assumed to be heading for the workforce and are, therefore, supplied with language and job training in order to help them effectively enter the Canadian labour market as quickly as possible.

As was mentioned a little earlier, this hypothesis may not prove to be accurate for the reason that four years may simply not be enough time for this group of immigrants to reach the level of economic performance necessary to compete with that of Western European men. Even though the individuals were selected to enter Canada under the basis that their occupational skills would transfer to this labour market, the process of integrating could be a long one considering that there is no guarantee as to how easily or how quickly their educational and occupational skills would translate to the Canadian market. Moreover, these immigrants would likely need to acquire a certain amount of Canadian work experience which could mean working lower status jobs and earning close to minimum wage for that particular work before finding a suitable job and making a satisfactory income. These are all reasons for why the income slope of Eastern and Southern European immigrant men may not be as steep as that hypothesized over the first four post-immigration years.

Hypothesis #5

Despite the logic that the lower the level of human capital upon entry to Canada, the more room for improvement in economic performance over time, this is not expected to be the case for women from Eastern and Southern Europe.

This is the most disadvantaged group. Not only do these women come from countries that are not traditionally preferred, but they are also disadvantaged by both coming from and re-entering a sex-segregated economy that places them in lower labour market positions than men. Moreover, their likely lack of official language proficiency coupled with the unfamiliarity with the Canadian labour market and a lack of acceptable credentials will likely keep earnings low. Therefore, while this group does have a lot of room for improvement, it is unlikely that their earnings will come close to those of their male counterparts or even to those of Western female immigrants who, despite also facing a sex-segregated economy, at least have the language proficiency as well as the advantage of coming from a region from which academic and occupational credentials are more regularly transferable to North America. This puts them ahead of Southern and Eastern European women in terms of the ease of entry into the Canadian labour market.

This hypothesis could be disputed, however, by the fact that a lot of Eastern European women, especially, may come into Canada with high levels for education and with every intention of entering the Canadian labour market. Therefore, while their initial earnings may be low until they attain some Canadian work experience or wait to get their

credentials accepted, their income may indeed increase rapidly over time as they attain language skills, Canadian job experience as well as perhaps some Canadian education.

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Hypothesis #6

Finally, I believe that immigrant women from Western European countries will have the second steepest upward slope after men from Eastern and Southern Europe, but not have enough momentum to catch up to their male counterparts.

The advantage of Western European women over female immigrants from Eastern and Southern European countries is that they come to Canada from countries which have historically been considered preferable due to cultural similarities as well as similarities in educational and labour market systems. The disadvantage pertaining to their sex and the sex-segregated occupational structure, however, will keep their earnings below that of their male counterparts and, even though initial earnings may be above those of Eastern and Southern European men, I predict that the latter will not only catch up but also overtake Western European female immigrants in terms of earnings. The high social ranking of their source countries, however, is a good foundation for an increase in economic performance in the Canadian labour market over time.

This hypothesis may not prove to be true for the reason that, as women, a lot of Western European female immigrants enter Canada under the family class and do not intend to enter the Canadian labour market. Therefore, instead of a rise in earnings over time, household responsibilities may keep earnings to a minimum or even non-existent.

In conclusion, there is a definite lack of focus on country of origin as a unit of analysis in an investigation of how recent European immigrants do in the Canadian labour market especially in terms of assessing the differences in economic performance among people coming from the same broader geographical regions. The focus in this project will be on Eastern, Southern and Western Europe and the main objective will be to dissect the broad regional categories which have plagued much of the research done so far on this topic and look at country-specific variations in the immigrants' economic performances wherever possible.

As has been seen here, there are a number of researchers discussing differences among groups (with relation to income, occupational status etc) coming to Canada from various regions or countries (Nakhaie, 2006; Pendakur and Pendakur, 1996; Aydemir, 2005; Baker and Benjamin, 1994; Bloom, Grenier and Gunderson, 1995), but none go as far as focusing in on Europe and the between-country differences across regions in terms of how recent immigrants perform economically in Canada. Another deficiency in the current research is a lack of a longitudinal investigation and the idea of following the same group of people over the first few years of living in Canada to get a clearer picture of labour force patterns over time and what factors (either human capital or structural ones) promote and which stifle economic success.

I hope to add to the current literature on the topic of immigrants and labour market performance in Canada by breaking down the broad European category into smaller units of analysis and also by carrying out a longitudinal investigation pertaining

to this research area. I will attempt to address the hypotheses set out throughout this chapter, and hopefully find some interesting patterns which may point to explanations for economic performance of immigrants that go beyond broad generalizations and, instead, point towards a deeper and more nuanced reality of recent European immigrants in Canada.

Chapter 2: Data and Methods

Data

This project will utilize the Longitudinal Survey of Immigrants to Canada (LSIC). The survey was designed by Statistics Canada and Citizenship and Immigration Canada as a way to study how immigrants adapt to or integrate into Canadian society during the first four years of settlement. The topics covered in the survey include: language proficiency, housing, education, income, credentials, health, use of social networks and impressions about life in Canada. The questions address respondents' situation before coming to Canada and since their arrival.

LSIC used a longitudinal design to study a sample of immigrants aged 15 and older who arrived in Canada between October 2000 and September 2001. The first wave of interviews with immigrants was conducted about six months after their arrival. The second wave of interviews with the same group of individuals was carried out two years after arrival and the final third wave, four years after arrival. This project will utilize the data file for Wave 3 of LSIC which contains data from the three collection waves of the survey. The data file contains all records relating to the 7, 716 respondents who were traced and agreed to respond to all three waves. This merged data from all collection periods facilitates a longitudinal analysis. This analysis will, however, use a subset of that data which will only include those immigrants coming from European countries who are 25-64 years of age (i.e. working age) making the total sample size for the project 2138.

Dependent Measures

Three dependent measures will be employed to analyse the economic performance of European immigrants over time: income, employment status and whether the individual is working full-time or part-time. As mentioned in the introductory chapter, the intention of this analysis is to explore the differences in initial income and labour force status (i.e. "intercepts"), and differences in changes in them (i.e. "slopes") over the course of the first few years of an immigrant's economic experience in Canada. The analysis will also investigate how much of the pattern of the intercept (initial economic status) and how much of the pattern of the slope (changes over time) is attributable to human capital factors and how much to structural factors such as region of birth, gender and immigrant class. The main hypotheses for this study, however, deal with the effects of region of birth on economic performance.

Income is probably one of the most popular measures of economic performance because it is easily quantified in dollar amounts and, hence, easy to interpret. I will use the LSIC income variable pertaining to the respondent's personal income received from all sources inside and outside Canada. In Wave 1 of LSIC, the reference period for the income questions is from the respondent's arrival date to the date of the interview for Wave 1 (approximately 6-month period). The reference period for the Wave 2 and Wave 3 income questions corresponds to the 12 months preceding the interview. This income variable was logged[9]. After constructing a regression model first with an untransformed

[9] Since there was a considerable portion of respondents reporting an income of zero, the income variable was divided by 1,000, then an "offset" of 1 (representing $1,000) was added, and then the variable was logged (natural logarithm).

and then with a transformed dependent variable, it was clear that the R-squared value was higher in the transformed model, making it the better choice for the analysis[10].

The second dependent variable relates to labour force status of the respondent in terms of whether of not he or she is employed or not working at the time of each Wave interview. All respondents were included in this model. Finally, the third dependent variable pertains to the nature of the work. This variable will provide some insight into the type of work immigrants do and shed more light on their economic status in the Canadian labour market. This variable has three categories: full-time work, part-time work and not working.

Independent Measures

The independent variables included in the analysis are: age, gender, country of birth, marital status, structure if immigrating unit, province of destination, highest level of education, major field of study outside Canada, main occupation in country of birth prior to immigration, English/French language proficiency, and immigrant category (i.e. skilled worker, family class).

Age

The age variable that will be used is one which gives the respondent's individual age. Since this analysis is primarily interested in those individuals who are able to actively participate in the labour market, the age range will be 25-64 in the first wave.

[10] Including all variables in the model, the R-squared for the untransformed model was 0.1564 and for the transformed model was 0.2586.

The age range will change in the two consecutive waves because the respondent's age will change, but this is inevitable and will be left as is.

Gender

As discussed in the introductory chapter, gender is an important variable to have in the model because it is expected that male and female immigrants across regions and countries of origin will have varying experiences in the Canadian labour market. In the process, it would be useful to explore reasons for this disparity and, hence, make the analysis a lot more in-depth and complete when talking about experiences of the Canadian 'immigrant' population. In the sample of the population used in this analysis, the ratio of men to women is roughly 50:50.

Country of Birth

With respect to country of birth, two types of analyses were constructed: one with a 'country' variable that categorized individual countries and another which grouped European countries into broader regions. For the first analysis, those Eastern, Western and Southern European countries with sufficient sample sizes (i.e. 16 or more observations) were selected. In the end, 14 individual countries were chosen and they are: France, Germany, Netherlands, Bulgaria, Poland, Romania, Slovakia, Russia, Ukraine, UK, Albania, Bosnia and Herzegovina, Croatia and Yugoslavia.

While the 'country' variable with individual European countries of birth was the more predominant variable used in the analysis, the European countries were also grouped together in order to create three distinct regions: Western Europe, Eastern

Europe and Southern Europe. In this instance, all of the European countries in LSIC were included in the variable, not just the 14 discussed above. Even though the purpose of the project was to investigate country differences and to focus in on how immigrants from one country compare to others either within the same geographical region or between regions, a broader classification of countries was necessary to increase statistical power in tests where reducing the number of categories would produce more significant results considering the much greater number of respondents in each group. A large number of categories also made it difficult to construct interactions. It was found over and over again that interacting the original individualized 'country' variable with other independent variables produced very low sample sizes in certain instances and so the solution was to group the countries together and look at regional differences before trying to look a bit deeper at country-specific ones where possible.

Marital Status

The question about marital status is asked in each of the three waves and the categories are:

1) Married
2) Common-law
3) Divorced/Separated/Widowed
4) Single, never married

Immigrating Unit

The structure of the immigrating unit was also included in the analysis as a variable. The categories are:

1) Two adults or more with children
2) Two adults or more without children
3) One adult with children

4) One adult only

Province of Destination

The province of destination variable was recoded due to a small number of respondents for some provinces. In the end, 5 categories were created:

1) Quebec
2) Ontario
3) Alberta
4) BC
5) Other (Newfoundland and Labrador, Prince Edward Island, Nova Scotia, New Brunswick, Manitoba, Saskatchewan)

Education

The education variable is categorical. The LSIC question it is based on is, "What was the highest level of formal education you attained outside Canada?" The education variable was recoded so as to reduce the number of categories from the original 14 in LSIC to 8 and make it more manageable. These categories are:

1) No formal education/elementary school/some high school
2) High school graduation
3) Some trade school or apprenticeship training/trade certificate/apprenticeship/some college
4) College/ CEGEP diploma or certificate
5) Some university
6) Bachelor's degree
7) Master's degree
8) Degree in dentistry, medicine, veterinary medicine, optometry, law, theology/ or a doctorate

Field of Study

In conjunction with the 'education' variable, the major field of study outside Canada is also included, as a variable, in the model. The reason for this is that it may be possible to see which educational fields or what degrees are more easily recognized and

accepted and which may carry penalties when trying to get accreditation in the Canadian labour market. Only those respondents who had attained a level of education higher than high school graduation outside Canada were asked about their field of study in LSIC. This variable was categorized according to fields that lead to degrees that are assumed to be similarly accredited in the Canadian labour market:

1) Educational, recreational and counselling services/fine and applied arts/humanities/social sciences and related fields
2) Commerce, management and business administration
3) Agricultural and biological sciences and technologies/engineering and applied sciences/engineering technologies and trades/mathematics and physical sciences
4) Health professions, sciences and technologies
5) No specialization

Occupation

The next variable included in this project is past occupation before arriving in Canada. This variable is included for similar reasons to the field of study variable as far as trying to assess which foreign occupational experience is more easily accredited and transferrable to the Canadian labour market. The variable was categorized as follows:

1) Managers
2) Professionals
3) Skilled occupations including trade occupations
4) Supervisors
5) Clerical occupations
6) Sales/Service occupations
7) Manual
8) Other

Home Language

English or French language proficiency was assessed by the 'language most spoken at home' variable in LSIC. The language variable was created for each wave of

data since the home language could change from wave to wave. Due to problems with low sample sizes when interacting this variable in its original LSIC form, the language variable was recoded to just two categories:

1) Home language is English or French
2) Home language is not English or French

Class of Immigration

Finally, in relation to immigrant class, two variables were used. The first one relates to the status of the respondent in the immigration application process. This variable has two categories and they are:

1) Principal applicant
2) Spouse/Dependent

The second one relates to immigrant category and is more detailed because it breaks down the principal applicant (PA) as well as the spouse (S) and dependent (D) categories. As discussed earlier, this variable will be included in the model to assess whether or not the immigrant category has a negative or positive effect on one's participation in the labour market both at the time of arrival (Wave 1) and over the first few years in the country. The original LSIC categories were recoded so as to separate those who came in as principal applicants from those who came in as spouses or dependents so that the categorization used in the analysis is as follows:

1) Family class (PA)
2) Family class (S+D)
3) Provincial nominees (PA) and skilled workers (PA)
4) Provincial nominees (S+D) and skilled workers (S+D)
5) Business immigrants (PA)
6) Business immigrants (S+D)
7) Refugees (government sponsored, privately sponsored, other)

Methods

In total, six statistical models are used in the analysis. Two are ordinary least squares models (OLS), three are binary logit models and one is a multinomial regression model. Each will now be discussed in turn. All models were reproduced for each of the three waves of data.

1) Ordinary Least Squares Models:

Both models adhere to the following:

$$\text{Log}(\gamma) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 \ldots. + \beta_k X_k + e$$

The dependent variable γ is a natural logarithm of personal earnings, β_0 is the intercept term, β is the coefficient, X denotes an independent variable or an explanatory variable, and e is the residual. Apart from the 'age' variable, the independent variables used in the model are constructed as dummy variables in order to deal with their categorical nature.

This model is created for each of the three waves. The coefficients of the dummy variables and of the 'age' variable as well as their means are used to produce predicted income values. The coefficients of the independent variables are log odds, which are, in turn, transformed into probabilities through exponentiation. The probability is a predicted value of the dependent variable based on an independent one, keeping all other independent variables in the model constant.

a) Model 1

The first model is an ordinary least squares regression model, with income (logged) as the dependent variable. It includes all respondents in the sample.

One prominent feature of the income variable is that a considerable portion of respondents reports an income of zero in each of the three waves of data. This could be for a variety of reasons: their main source of income may be from government (social assistance), they may not be working, or they could be living off of their savings. The portion of people reporting zero income ranges from about 20 to 30% depending on the wave. Even though the number of these respondents does decrease with each consecutive wave, it is still large even by the third wave (approx. 20%) and, therefore, difficult to overlook. Since the dependent variable will be logged and since I wish to keep those with no income in this model, an offset of 1 is used when constructing the logged version of the income variable, so that all respondents remain in the analysis. The income variable was also divided by 1000, so that the predicted values are expressed in thousands of dollars. In the end, the income variable was constructed for each of the three waves of data.

b) Model 2

The second regression model differs from the first in that those with zero income are excluded from the analysis. Even though these people may not be in the labour force but still have a working partner, the focus here is on personal income. The purpose of this model, then, is to look solely at those reporting an income at each wave and see how their

incomes compare and evolve over time without the figures being dragged down by those who do not earn anything.

The initial step in constructing income as the dependent variable here was to remove those with zero income from the original LSIC personal income variable by putting them in a 'missing' category. The second step was to express the income in thousands of dollars, just as was done in Model 1. Finally, the variable was logged and the process was repeated for each of the three waves.

2) Binary Logistic Models

All three binary logit models are premised by the following:

This logistic transformation can be described as a logarithm of the odds of success vs. failure. Therefore, in this statistical model, the dependent variable is dichotomous ($\gamma = 1,0$) such that:

$\gamma = 1$ if condition is satisfied - **success**

$\gamma = 0$ if condition is not satisfied - **failure**

Once dichotomized, the coefficients are interpreted by treating the dependent variable as a probability so that the results denote the probability of success or the probability of failure in meeting certain income levels.

The model produces coefficients which are in the form of log odds. The coefficients in the model are used to construct predicted values of the dependent variable

holding all variables except the variable of interest at their mean levels. To produce expected probabilities, the log-odds are first exponentiated to create odds, and then these odds are converted to probabilities using the formula P = odds/ (1+odds).

a) Model 3

As was mentioned earlier, a large portion of the respondents in the sample report an income of zero in each wave. Aside from this, another sizeable number of respondents report a very low income (i.e. less that $1,000).

In order to shed light on those who make some income and establish who is more likely to be in this category as opposed to being part of a group who does not have any income, a binary logit model is created for each LSIC wave of data. The original income variable had to be recoded so as to have 2 categories. An income of $100 a month was used as the dividing line between “no income” and “some income”.

Therefore, for Wave 1 of LSIC (6-month period from time of arrival to interview), $600 (i.e. $100 x 6) was considered an income below which $\gamma = 0$, and above which $\gamma = 1$. The same principle was applied to Wave 2 and Wave 3 data. Since the interview questions for the latter two waves of LSIC were based on the respondents’ preceding 12 months of living in Canada, the income boundary considered for the logit model was $1,200 (i.e. $100 x 12) for each of the two waves. Therefore, again, $\gamma = 0$ if income was $1,200 or less and $\gamma = 1$ if income was above $1,200 in each of the two latter waves.

The resulting model coefficients are dealt with as described in the brief introduction above. The log-odds are transformed into odds which are, in turn, transformed into probabilities. The probabilities then create a picture of which groups of immigrants are more likely to be in one income bracket over another, giving an idea of economic performance in the Canadian labour market over the first few years of residency in the country.

b) <u>Model 4</u>

This model follows the same logic as Model 3 except that the binary here is those with exactly zero income versus everyone else. In other words, what is being investigated is the probability of earning nothing versus the probability of earning any amount regardless of how minute it may be.

Again, therefore, the dependent variable is dichotomous ($\gamma = 1,0$) such that:

$\gamma = 1$ if a respondent's income is greater than zero - **success**

$\gamma = 0$ if a respondent's income equals zero – **failure**

c) <u>Model 5</u>

Model 5 moves away from analysing income as a measure of economic performance, and investigates current labour force status as an indication of one's integration and participation in the local labour market. All respondents are included in this model and the dependent variable is derived directly from LSIC where respondents were asked about their labour force status in each of the three waves of data.

As a result, the dependent variable was reduced to ($\gamma = 1,0$) such that:

$\gamma = 1$ if a respondent is employed during the current wave - **success**

$\gamma = 0$ if a respondent is not working during the current wave – **failure**

3) Multinomial Logistic Regression Model (MNLM)

Model 6

The multinomial regression model is an extension of the binomial regression model. It is used when the dependent variable has more than two nominal (unordered) categories. In multinomial logistic regression, one category of the dependent variable is chosen as the comparison category (base category). The base category is excluded from the model. Log-odds are then calculated for all other categories of the dependent variable relative to the base category. In other words, the probability of membership in other categories is compared to the probability of membership in the reference category.

For a dependent variable with **J** categories, this requires the calculation of **J-1** equations, one for each category relative to the reference category, to describe the relationship between the dependent variable and the independent variables.

The dependent variable here deals with the nature of the work a respondent does and it has three categories:

$\gamma = 1$ if the respondent is involved in full-time employment.

$\gamma = 2$ if the respondent is involved in part-time employment.

$\gamma = 3$ if the respondent is not working.

In order to deal with these three categories, the MNLM produces two simultaneous situations:

ln (odds full-time/not working) = $b_0 + b_1X_1 + b_2X_2 + b_3X_3$

ln (odds part-time/not working) = $b_0* + b_1*X_1 + b_2*X_2 + b_3*X_3$ (note that b_1 is not equal to b_1*. They are two separate coefficients.)

The third category ($\gamma = 3$) is used as the comparison category in the models so that, in the statistical output, the coefficients for the independent variables pertaining to categories 1 and 2 are compared to it. After gathering the data, it is possible to create tables that compare the distribution of cases across all three categories of the dependent variable at once. The log-odds and odds are first calculated for the two, above stated, binaries: full-time/not working and part-time/not working. Once we have the odds for the first two categories of the dependent variable, the probability for the base category is calculated as follows:

Prob (reference category) = 1/ (1 + odds full-time/not working + odds part-time/not working)

The probability for full-time employment for each independent variable is then calculated by multiplying the odds of full-time/not working by the probability of not working (i.e. base category). Similarly, the probability of part-time employment is calculated by multiplying the odds of part-time/not working by the probability of not working.

Chapter 3: Findings

The first three sections of this chapter describe the relationship of several independent variables – immigrant status, foreign education, home language, and gender – with measures of economic performance for recent European immigrants. The last two sections discuss the relationship between region or country of birth and economic performance.[11]

Effect of Immigrant Status on Labour Market Performance

Immigration to Canada is based on the skilled worker category. This is a very popular visa programme and is intended for people with high levels of skill and experience. Immigration to Canada also includes a visa category for business immigrants. Moreover, 40 percent of the annual immigration is under the family reunion and refugee programs.

The skilled worker category is based on the points system which is essentially a measure of one's adaptability to life in Canada.[12] Skilled workers are selected as permanent residents based on factors such as: their level of education, English and French language proficiency, work experience, age and arranged employment, criteria that have been shown to help immigrants become economically established in Canada. Another group of immigrants Canada wishes to attract is business immigrants. Successful

[11] All predicted probabilities and values are for estimated multivariate equations which hold all other variables constant.

[12] Canada's points score requirement was reduced from 75 (out of 100) to 67 on the 18th September 2003.

candidates are those who can invest in Canada, start a business here and generate revenue and employment for Canadians. Furthermore, the Canadian Federal government has negotiated various agreements with provinces and territories relating to the specific needs of employers and capital investment for each geographical area. Therefore, provinces have their own nominee programs that are designed to encourage skilled immigrants to settle in those provinces. The provinces nominate migrants who will live and work in Canada and receive Canadian permanent resident visas. Under the Provincial Nominee category, immigrants can generally enter as either skilled workers with a job offer or as business entrepreneurs. Provincial Nominee applications are given preference over the skilled visa applicants by Citizenship and Immigration Canada (CIC).

As was discussed in the literature review and hypothesis section, immigrant status is expected to have an impact on an immigrant's entry and performance in the Canadian labour market. Those applying as principal applicants are expected to have a better performance in the labour market than those coming in as spouses or dependents because the former are assumed to be headed for the labour force and are the ones chosen based on their skills and the probability of being able to find work in Canada. Principal applicants also have resources available to them once in Canada such as language training and help with finding employment to ease their transition into the Canadian labour market. Spouses and dependents are less likely to have the credentials that principal applicants possess and are also not viewed as the group headed for the labour market, making it difficult to enter and also perform well economically (that is assuming they wish to find work in the first place). Apart from principal applicant/spouse status,

skilled workers are expected to have a better performance in the labour market than, say, those entering as part of the family class considering the fact that they are chosen to enter Canada based on the education, skills and language proficiency they possess when applying for immigration. They are also the ones entering the country with the intention of finding employment.

In terms of performance over the first four post-immigration years, those coming in as principal applicants while also in the skilled worker category are expected to have initially higher probabilities of employment and much higher incomes than immigrants who are part of the family class and who come into the country as spouses or dependents, for example. Skilled workers are also expected to have a steady upward slope in terms of income and employment probability over the entire first four post-immigration years. Immigrants who are part of the family class as well as those who come in as spouses or dependents are expected to have low economic performance in terms of employment and income upon entry. Assuming that they intend to enter the labour force, they are expected to have slopes that are steeper than those pertaining to the skilled immigrants. This is due to the assumption that since their initial performance is very low, they have more room for improvement in relation to the skilled workers who start higher in terms of earnings and employment probability and stay high, and this improvement can happen quite rapidly with time spent in Canada in the form of language proficiency and work experience. While the slopes for non-skilled immigrants are expected to be steeper and have a converging nature to the slopes of skilled immigrants, the economic performance

of non-skill based immigrants is, however, not expected to exceed that of the skilled ones.

As a further dimension, there are expected to be between-country differences in the effect of immigrant status and this idea will be tested with an interaction term in the model.[13] Western European immigrants are expected to have a better overall performance, especially Western Europeans who are also skilled workers, considering the similarities between the labour market structure they are coming from and the Canadian one. Furthermore, the probability they are proficient in at least one of the Canadian official languages as well as the lack of a major culture shock would allow for a much smoother transition into the Canadian labour market for immigrants coming from Western Europe than for those coming from Eastern or Southern areas. Western Europeans are also likely to have their credentials and their education more readily accepted than those coming from other parts of Europe, again, based on the similarities between the two labour markets. Immigrants from Western Europe are, therefore, expected to have much higher employment probability and income upon entry in relation to Eastern and Southern European immigrants and these values are expected to remain high over the entire first four post-immigration years, creating a slightly upward slope. Eastern and Southern Europeans, on the other hand, are expected to have very low starting points in terms of economic performance but, due to the ample room for improvement, are expected to have much steeper upward slopes than Western Europeans over time, attempting to converge but never quite catch up to the latter. Below are the

[13] Only the region of birth (i.e. Western Europe, Eastern Europe, and Southern Europe) was used in the interaction between 'country' of birth and immigrant status because the individualized country variable produced very low Ns.

actual findings (see Table 1). In order to assess the importance of one's immigrant category on one's participation and performance in the Canadian labour market, respondents were not only divided up into classes (e.g. skilled, family, business) but each class was further split into two categories corresponding to whether the respondent was a principal applicant or a spouse/dependent in the immigrant application process.

In an interaction between the region of birth and the status of the respondent in the immigration application process (i.e. Principal Applicant or Spouse/Dependent), respondents who are principal applicants continuously have a higher predicted income than those who come into the country as spouses or dependents, regardless of the region of birth. The figures are shown in Table 1.

Table 1– Predicted Income Values ($1000s) for Principal Applicants and Spouses/Dependents in Waves 2 and 3

		WAVE 2			WAVE 3	
	Western Europe	**Eastern Europe**	**Southern Europe**	**Western Europe**	**Eastern Europe**	**Southern Europe**
Principal Applicant	16.630	11.804	12.079	19.752	17.868	21.283
Spouse/Dependent	7.617	9.767	9.052	6.290	11.123	12.659

The interaction term is not significant in Wave 1 ($F = 2.88$, $df = 2, 1195$, $p<.0567$) indicating, perhaps, that immigrant category does not have an impact on earnings immediately upon entry. After two years in Canada, principal applicants from Western Europe have the highest predicted income of $16,600. This rises to $19,700 after four years in Canada. Immigrants from Southern Europe earn an average of $12,000 after two years and, an impressive, $21,000 after four years. Immigrants from Eastern Europe earn

the least with $11,800 after two years and just under $18,000 after four years in Canada. Therefore, even though principal applicants from Western Europe have a very strong start in terms of earnings, those from Southern and Eastern Europe have steeper slopes from Wave 2 to Wave 3 corresponding to a greater rise in income, with the Southern Europeans even overtaking Western Europeans.

The income trajectories for those who come in as spouses or dependents are slightly different. While the principal applicants from Western Europe earn the most among all three regions of origin, spouses and dependents from Western Europe earn the least. After two years in Canada, the average predicted income for dependents from Western Europe is $7,600. This figure actually drops to $6,200 after four years, widening the gap between the earnings of dependents and principal applicants from $9,000 in Wave 2 to $13,000 in Wave 3. Spouses and dependents from Southern Europe have a predicted income of $9,000 after two years and of $12,600 after four years. While the gap also increases between the earnings of Southern European principal applicants and dependents from $3,000 in Wave 2 to $9,000 in Wave 3, it is not as large as that pertaining to Western Europeans. Finally, dependents from Eastern Europe have an average predicted income of $9,700 after two years and of $11,000 after four years in Canada. Eastern European immigrants have the narrowest gap between the earnings of principal applicants and dependents with a $2,000 difference in earnings in Wave 2 and a $6,000 difference in earnings in Wave 3.

The above findings seem to indicate that there is a noticeable difference in earnings between those who apply as principal applicants and those who apply as spouses or dependents. This finding, therefore, denotes some importance to one's status in the immigration application process. Judging by the gaps in earning between the two statuses, it seems that immigrant status is most important, or carries the most economic consequence, among immigrants from Western Europe, followed by those from Southern Europe. It is least important for those from Eastern Europe.

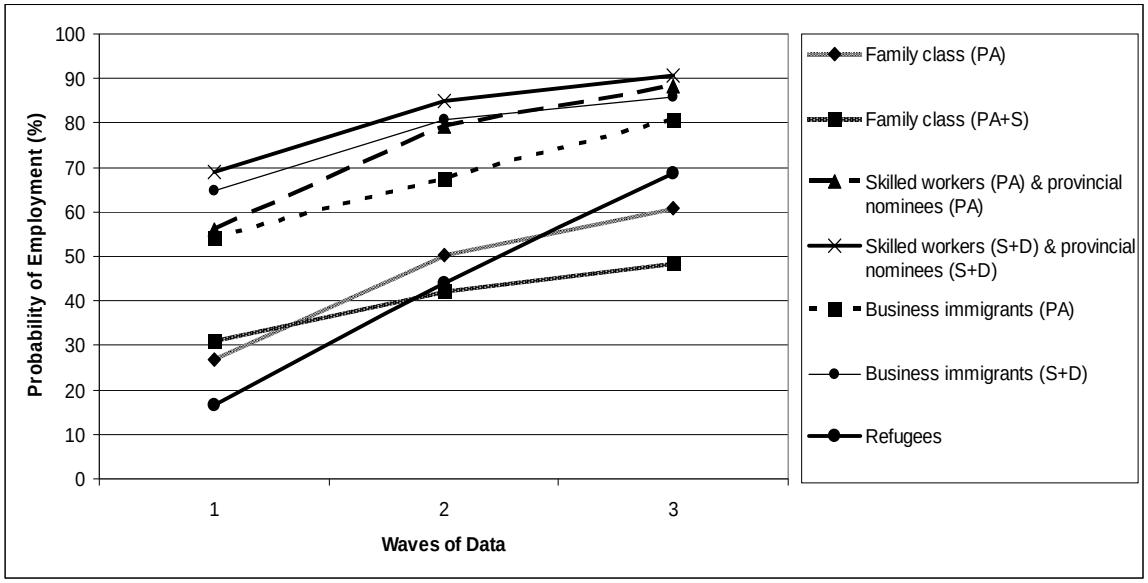
Adding another dimension to this analysis and looking at not only whether one is a principal applicant or not but also at the immigrant class one belongs to upon entry to Canada, results show that it is more important whether or not an immigrant enters in an economic category with the skills necessary to enter the labour force, than whether or not one is a principal applicant (PA) or a spouse/dependent (S/D) in the application process (see Table 2). This is clearly demonstrated by the probability of employment from the time of entry into the country up until four years of residence. The data shows that those coming in as skilled workers and provincial nominees under the spouse/dependent category not only have the highest probability among all the other immigrants of being employed within six months (69%), but they also maintain the highest probability of employment over the entire first four years in Canada (85% at the two-year mark and 91% at four years). They also have the highest probability of all immigrants in Waves 2 and 3 of being employed full-time and the lowest probability of not working throughout their first four years in Canada.

Table 2– Predicted Probability of Employment (%) by Immigrant Class over the 3 Waves of Data

Immigrant Class	WAVE 1	WAVE 2	WAVE 3
Family class (PA)	26.9	50.4	60.8
Family class (PA+S)	31.2	42.2	48.6
Skilled workers (PA) & provincial nominees (PA)	56.1	79.2	88.1
Skilled workers (S+D) & provincial nominees (S+D)	69.0	85.0	90.5
Business immigrants (PA)	54.2	67.3	80.7
Business immigrants (S+D)	64.8	80.6	85.8
Refugees	16.6	43.9	68.6

The group with the next highest predicted probability of employment after six months in Canada is business immigrants also coming in under the spouse/dependent category. They have a 65% probability of employment in Wave 1. After two years, this group maintains the second highest employment probability at 81%. After four years, however, they are overtaken by skilled workers and provincial nominees who were principal applicants in the immigration process. Figure 1 presents the probabilities in visual form so that it is easier to observe the slope patterns.

Figure 1 - Probability of Employment by Immigrant Class over the 3 Waves of Data



In Wave 1, skilled workers and provincial nominees who come into the country as principal applicants have a 56% probability of employment and in Wave 2 they have an increase to 79% probability. In Wave 3, these skilled workers have an 88% probability of employment while business immigrants (S/D) slip just underneath them to have an 86% probability of employment after four post-immigration years. So, even though the business immigrants (S/D) have a higher probability of employment in Wave 2, the skilled workers and provincial nominees (PA) have a steeper upward slope from Wave 2 to Wave 3, so that after four years, the former overtake the latter with regards to employment probability.

These top three groups are followed by business immigrants who arrived as principal applicants. They also have an upward slope corresponding to their employment probability from 54% in Wave 1 to 67% in Wave 2 and to 81% in Wave 3, but their trajectory never intersects with any of the three above it. Finally, immigrants entering Canada as part of the family class have the lowest trajectories of all the immigrant visa groups. After six months, those in the spouse category of the family class actually have a slightly higher probability of employment (31%) than those coming in as principal applicants (27%). Principal applicants, however, have a much steeper slope towards Wave 2 and even though it lessens in steepness by Wave 3, it is still upward in nature while the employment probability slope of spouses actually decreases from Wave 2 to Wave 3, creating a divergence between the two. Therefore, after four years, those who come in as principal applicants in the family class have a 61% probability of

employment, while those who come in as spouses have a 49% probability, the lowest of all the immigrants in the analysis.

With regards to income over the immigrants' first four years in Canada, the data shows mixed results in terms of whether or not being a principal applicant versus being a spouse or dependent in the immigration process has an effect on one's performance in the labour market. It seems to, perhaps, be more relevant whether one is a principal applicant or not from the time of entry into the country until the two-year mark, and less so at Wave 3, or after four years in Canada, although the predicted income values are very close between those who are principal applicants and those who are dependents or spouses within each immigrant class. Table 3 presents the predicted income values for each immigrant class over the first four post-immigration years.

Table 3 – Predicted Income ($1000s) by Immigrant Class over the 3 Waves of Data

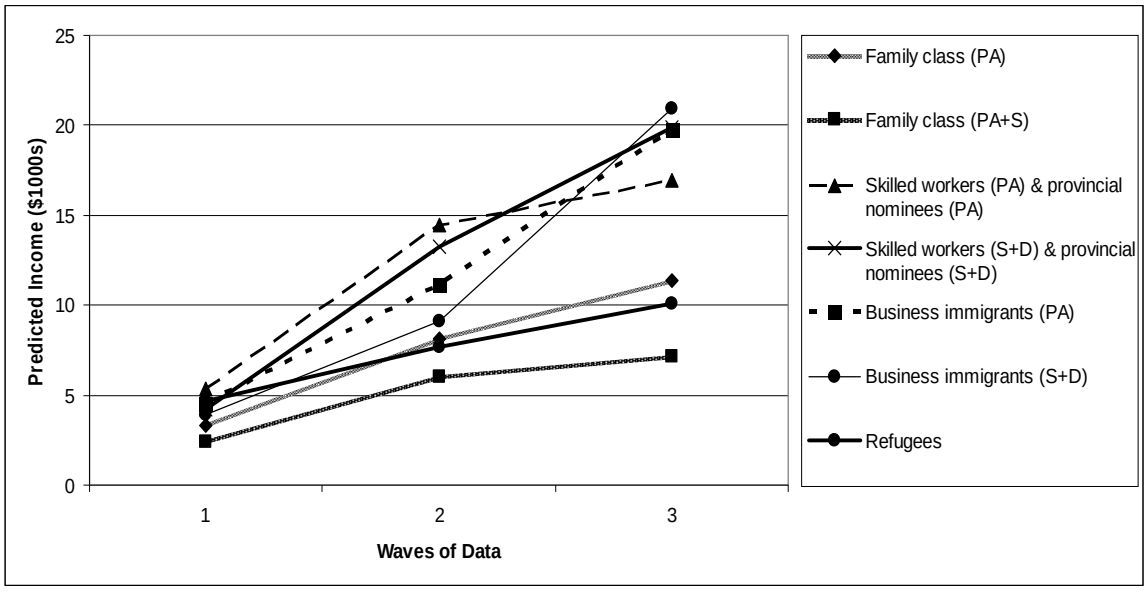
Immigrant Class	WAVE 1	WAVE 2	WAVE 3
Family class (PA)	3.292	8.107	11.365
Family class (PA+S)	2.410	6.049	7.157
Skilled workers (PA) & provincial nominees (PA)	5.347	14.445	16.943
Skilled workers (S+D) & provincial nominees (S+D)	4.221	13.283	19.917
Business immigrants (PA)	4.515	11.166	19.741
Business immigrants (S+D)	3.905	9.099	20.934
Refugees	4.675	7.664	10.062

Note: Wave 1 income is for six months, while Wave 2 and 3 incomes are for 12 months.

In Wave 1, it is evident that those who apply as principal applicants have, generally, more success in the Canadian labour market in terms of earnings than those who come in as spouses or dependents. Moreover, those immigrants who were selected on the basis that they are headed for the labour force are doubly successful. For example,

immigrants coming in as skilled workers and provincial nominees who also applied as principal applicants have the largest predicted income of all other immigrants groups. They are predicted to earn $5,300 in the first six months. This group is followed by business immigrants who came into Canada as principal applicants. They are predicted to earn $4,500 in the first six months. Skilled workers and provincial nominees who came into the country as spouses or dependents are predicted to earn about $4,000. Finally, immigrants coming in as part of the family class and as principal applicants earn roughly the same as those coming in as business immigrants in the dependent category at $3,000. Immigrants who come in as spouses and as part of the family class are predicted to earn the least at about $2,000 in the first six months in Canada. Figure 2 presents the income slopes with regards to immigrants' earnings over the first four post-immigration years.

Figure 2 – Predicted Income Slopes by Immigrant Class over the 3 Waves of Data



After two years in Canada, it is clear that skilled workers, provincial nominees and business immigrants earn considerably more than any other group. The ones that are predicted to earn the most are, again, skilled workers and provincial nominees in the principal applicant category with a bit over $14,000 on average in the 12 months preceding their Wave 2 LSIC interview. The next highest earnings are those of skilled workers and provincial nominees who came in as spouses and dependents at $13,000, and of business immigrants who came in as principal applicants, whose income is predicted to be $11,000, on average. Business immigrants who came as spouses or dependents are predicted to earn $9,000. Those that came in as part of the family class are predicted to earn the least, with principal applicants earning a bit over $8,000 and spouses earning just over $6,000 in the 12 months preceding their Wave 2 interview.

Therefore, it seems as if being a principal applicant has a more positive impact on a person's income versus being a spouse or dependent from entry into the country up to about two years of living in Canada. After four years, however, things begin to change. For example, while skilled workers and provincial nominees (PA) had the steepest slope from Wave 1 to Wave 2, and with it the highest predicted income in both waves, their slope, although still upward in nature, significantly decreases in steepness from Wave 2 to Wave 3, and, as a result, this group falls to fourth place in terms of earnings after four years. The group with the steepest slope from Wave 2 to Wave 3 and with the highest income after four years in Canada is business immigrants who came into the country under the spouse/dependent category. They go from earning about $9,000 on average in Wave 2 to earning $21,000 in Wave 3. Immigrants with the second highest earnings in

Wave 3 are skilled workers who also came in as spouses or dependents whose predicted income is just under $20,000 (from $13,000 in Wave 2). In third place are business immigrants who came in as principal applicants and whose predicted income in Wave 3 is $19,700. Much further down the scale are those in the family class. Immigrants who came under the family class as principal applicants are predicted to earn $11,000, while those who came in as spouses/dependents are predicted to earn $7,000 in Wave 3. Perhaps not surprisingly, there is a large gap in Wave 3 between them and all the other groups in terms of earnings after four years since those in the family class are likely not to be destined for the work force or, at best, may engage in part-time employment.

The Effect of Foreign Education on Earnings

The highest level of foreign education that immigrants possessed as well as the country in which that education was attained were both expected to be important factors in an immigrant's economic performance in the Canadian labour market. It was expected that the higher the level of education, the better the economic performance i.e. a higher income. There was, however, expected to be variation according to where the education was attained. This expectation was tested by an interaction between region of birth[14] and the highest level of education attained by recent European immigrants. In terms of an education that is of university level and higher, it is believed that a Western European education would allow for a better economic performance in the Canadian labour market than an education attained in other parts of Europe. As had been discussed earlier, one

[14] Again, the individualized country variable could not be used in the interactions because it produced very low Ns.

reason could be that the education system of Western Europe is similar to that of Canada, or North America in general. This would make it easier for the credentials to be transferred. Another reason is that it is more likely in Western Europe than in Eastern and Southern Europe that schooling was carried out in one of the Canadian official languages, again, making the transition to the Canadian labour market much easier and quicker.

As a categorical variable, education that the respondent attained in his/her country of birth was only shown to be important during the first six post-immigration months and not thereafter. Despite this, Table 4 still presents the predicted income values for all three waves.

Table 4 – Predicted Income ($1000s) by Education Level over the 3 Waves of Data

Education	WAVE 1	WAVE 2	WAVE 3
No formal/some elementary/some high school	9.268	12.269	18.345
High school	5.492	12.576	14.196
Trade school/some college	4.020	12.142	12.275
College	4.086	11.441	11.458
Some university	3.155	10.366	11.442
Bachelor's degree	4.085	14.751	15.479
Master's degree	3.481	12.713	15.562
Degree in medicine/law/doctorate	5.919	18.692	13.432

Note: Wave 1 income is for six months, while Wave 2 and 3 incomes are for 12 months.

Wave 1 results suggest that having no formal education or an education level that is less than a high school diploma will allow for the highest earnings. The data also shows that having a doctorate, or a degree in medicine or law i.e. the highest levels of education possible, is just about equal to having a high school diploma in terms of earnings within the first six post-immigration months. A bachelor’s degree is shown to be

worth more than a Master's but worth about the same as a college or trade school diploma in terms of earnings. Therefore, it is evident that, controlling for country of birth, a higher level of education does not mean a higher income within the first six months in Canada. To a lesser extent, this is also true after two and four post-immigration years, although a post-university degree does begin to have greater value in terms of the income it generates.

In order to get a more detailed picture of the way foreign education impacts economic performance in Canada, the education variable was interacted with region of birth. The predicted income values are shown in Table 5[15].

Table 5 – Predicted Income ($1000s) by Education Level and Region of Birth in Waves 1 and 3

	WAVE 1			WAVE 3		
	Region of Birth					
Education	Western Europe	Eastern Europe	Southern Europe	Western Europe	Eastern Europe	Southern Europe
No formal/some elementary/high school	7.434	6.936	6.238	13.445	21.388	20.322
Trade school/some college	4.896	3.939	5.475	11.905	16.144	18.817
College	4.655	5.115	3.777	9.566	10.428	26.411
Some university	4.119	3.026	2.932	5.641	20.646	22.217
Bachelor's degree	4.579	3.967	4.374	15.925	17.559	14.994
Master's degree	6.318	3.065	4.326	16.146	13.815	19.303
Degree in medicine/law/doctorate	15.436	3.972	2.838	23.937	7.556	17.701

Note: Wave 1 income is for six months, while Wave 3 income is for 12 months.

[15] Significance of interaction: Wave 1 (F=2.70, df=12,1186, p<.0013), Wave 2 (F=1.75, df=12,1186, p<.0511), Wave 3 (F=2.25, df=12,1180, p<.0083).

Findings from Wave 1 show that immigrants coming from Western Europe with a degree in medicine or law, or with a doctorate have a predicted income of $15,000 in their first six months in Canada. This is an extremely high figure, but the low number of respondents in this category (17) could be the reason for such a finding. It could, however, also be an indication of the way in which Western European higher education can be transferred quite readily to the Canadian system and produce high reward. On the contrary, immigrants who come from Southern and Eastern Europe with the same high level of education earn over 4 times less than the Western Europeans in the first six months. The data shows that immigrants from Eastern Europe who also came into Canada with a degree in medicine or law or have a doctorate, are predicted to earn just under $4,000, while immigrants from Southern Europe are predicted to earn an average of $3,000 in the first six months. This is a large discrepancy and one likely to have something to do with the acceptance of foreign credentials. It could be that the Western European education system is more similar to the North American one and, hence, easy for people to transfer from one to the other without many negative consequences. This is not the case for Eastern and Southern European immigrants who struggle to have their credentials accepted in Canada.

An Eastern European immigrant who entered the country with a doctorate is predicted to earn the same as an Eastern European immigrant who completed some college, or some university, and he is predicted to earn $3,000 less, on average, than someone who came in with a high school education. Hence, a doctorate degree is reduced in value to the level of a high school graduation. Southern European immigrants suffer

the exact same fate after six months in Canada. Nevertheless, apart from a Master's degree which earns the Western Europeans about $2,000 more than it does Eastern and Southern Europeans, the monetary payoff for all other levels of education in the Canadian labour market is very similar for all the immigrants in Wave 1.

The picture changes dramatically after four post-immigration years in Canada. The change is most evident at the lower education levels where Eastern and Southern Europeans have much higher income levels than Western Europeans. For example, Southern European immigrants coming into Canada with a trade school education or have completed some college earn an average of $18,800. Eastern European immigrants with the same level of education are predicted to earn $16,000, while Western Europeans are only predicted to earn an average of $11,900. The discrepancy is even more striking with immigrants who come into the country having only completed some university. Southern Europeans are predicted to earn $22,000, Eastern Europeans are predicted to earn $20,600, while Western Europeans are only expected to earn $5,600. At the higher education levels, income is a lot more equal among the immigrants. For example, Western Europeans coming into Canada with a Bachelor's degree are predicted to earn $15,900, Southern Europeans are predicted to earn $14,900, while Eastern Europeans are predicted to earn the most at this education level with $17,500. Western Europeans coming to Canada with a Master's degree are predicted to earn $16,000. Eastern Europeans are predicted to earn $13,800, while Southern Europeans with a Master's degree are predicted to earn the most with $19,000. With regards to the highest level of education, a doctorate or a degree in medicine or law, Western Europeans are still

predicted to earn the most with $23,900. Southern Europeans manage to close the gap quite well from Wave 1 but still trail behind Western Europeans in income in Wave 3 with $17,700. Eastern Europeans continue to struggle in earnings with an income of $7,500 even with the highest level of education.

To summarize the main trend, while Western European immigrants seem to do generally better economically during the first six post-immigration months, Eastern and Southern Europeans not only catch up to the in terms of earnings, but also attain higher incomes at nearly all levels of education. At the 'some university' education level and lower, Southern Europeans emerge with the highest income levels in Wave 3. This may be possible due to the fact that at lower levels of education, a person is likely not to have a certain specialization and may be more flexible in terms of the occupations he or she may pursue. Taking this into account together with the fact that the data here has shown that Eastern and Southern Europeans seem more motivated to get language and job training upon entering Canada, it may make sense that they would edge out in front of Western Europeans in terms of earnings. While Western Europeans may wait around for a better job or may just do part-time work in Wave 3 which does not allow for a high income, Eastern and Southern Europeans are likely to pursue more full-time positions having the language and job training to back them up. At the Bachelor's and Master's education levels, however, the figures among all three regions are quite close, suggesting perhaps that a higher level of education is valued over time regardless of the place where it was attained. Finally, while Southern Europeans with a doctorate or a degree in law or medicine make a huge leap in earnings from Wave 1 to Wave 3, Western Europeans still

maintain the highest income in that education category. This suggests that even after four post-immigration years, a degree from Western Europe is still valued the most. It could also suggest that a degree attained in Eastern and Southern Europe is very difficult to validate in Canada and takes longer than four years to get it approved. This would especially make sense with something like a non-Western European law degree which is extremely difficult to accredit in Canada and, in most cases, requires the person to take extra Canadian education (sometimes a number of years) in order to attain some level of credential acceptance.

Knowledge of Official Languages and Labour Market Performance

As discussed in the introduction, the knowledge of official languages is an important intervening variable which could have a significant impact on one's integration into the local labour market. Knowing the language of a country one is immigrating to can have many advantages, the main being that one would be able to communicate with potential employers and have access to a much wider variety of employment opportunities. It is believed that a lack in Canadian official language proficiency may be more of a problem for Eastern and Southern European immigrants and one reason for why they may not perform as well in the labour market as Western Europeans, at least upon entry.

Looking first at the employment probability of all European immigrants, there is a clear indication that individuals who speak English or French at home have a higher

probability of employment throughout their first four post-immigration years. The numbers are shown in Table 6.

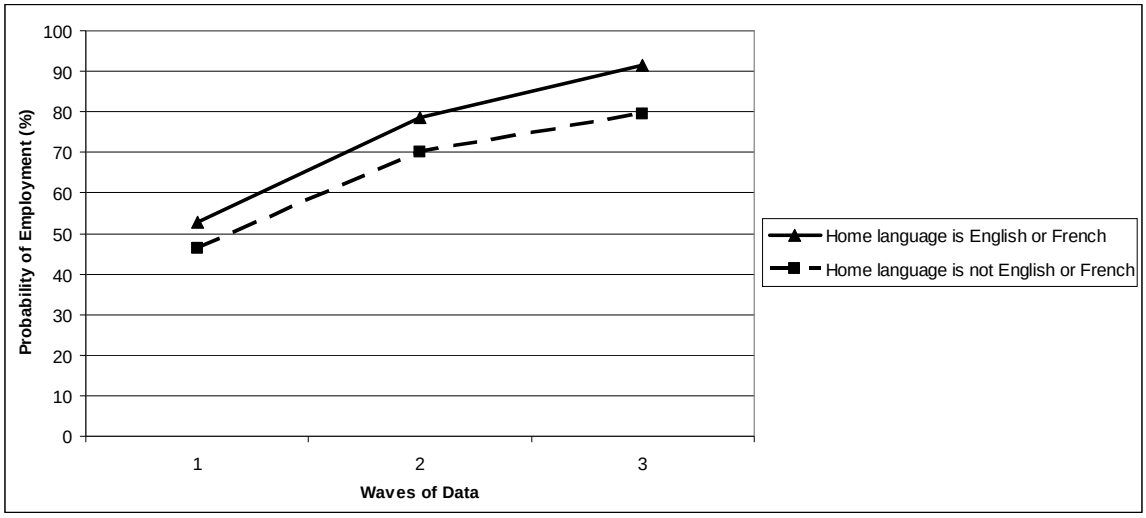
Table 6– Predicted Probability of Employment (%) by Home Language over the 3 Waves of Data

Home Language	WAVE 1	WAVE 2	WAVE 3
Home language is English or French	52.7	78.6	91.5
Home language is not English or French	46.3	70.2	79.4

Those who speak a Canadian official language at home have a 53% probability of employment in the first six months, a 79% probability of employment after two years and a 92% probability of employment after four years in Canada. Those who do not speak an official language at home have a 46% probability of employment after six months, a 70% probability after two years and a 79% probability of employment after four years.[16] Even though the slopes (Figure 3) of both those who do not speak English or French at home and those that do are upward, the one pertaining to immigrants who do speak an official language at home is a bit steeper, especially moving from Wave 2 to Wave 3. This results in a progressively larger distance between the two probabilities across the four-year period, meaning that those who speak English or French increase their employment probability at a faster pace over time than those who do not speak English or French at home.

[16] Note that only Wave 3 data is significant in relation to employment probability.

Figure 3 – Employment Probability Slopes by Home Language over the 3 Waves of Data



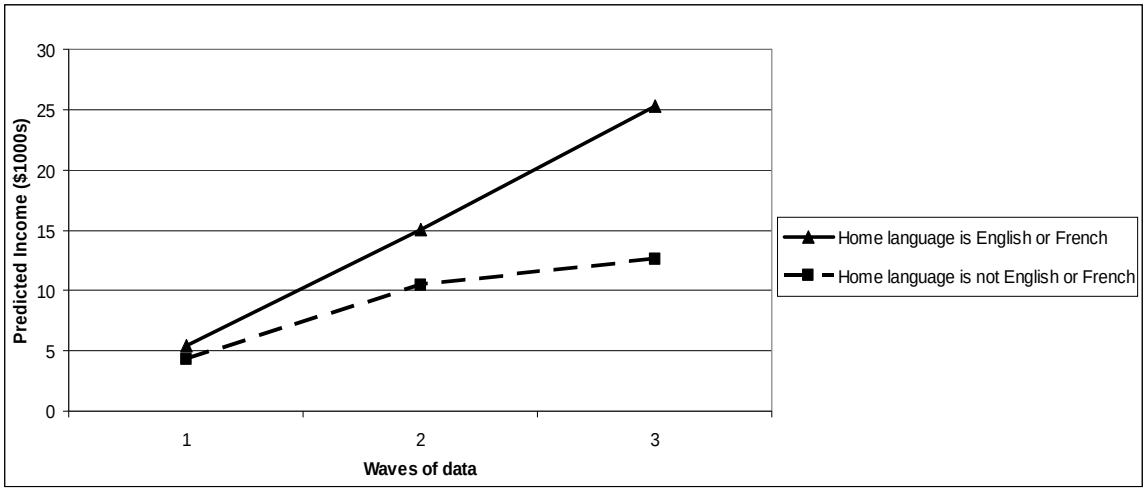
The income pattern over the first four post-immigration years with regards to one's knowledge of a Canadian official language is even more pronounced than the employment probability one. The income values are presented in Table 7 and the slopes, based on those values, are shown in Figure 4.

Table 7 – Predicted Income Values ($1000s) by Home Language over the 3 Waves of Data

Home Language	WAVE 1	WAVE 2	WAVE 3
Home language is English or French	5.474	15.021	25.254
Home language is not English or French	4.265	10.401	12.569

Note: Wave 1 income is for six months, while Wave 2 and 3 incomes are for 12 months.

Figure 4 – Predicted Income Slopes by Home Language over the 3 Waves of Data



As can be seen, the income slope of immigrants who speak English or French at home is a straight line, while that of those who do not speak English or French at home decreases in steepness over time, dramatically increasing the distance between the two income levels. Immigrants who speak English or French at home have a predicted income of $5,400 after six months, $15,000 after two years and $25,200 after four years in Canada. Those who do not speak English or French at home have a predicted income of $4,200 after six months, $10,400 after two years, and $12,500 after four years in Canada. These findings clearly suggest that knowledge of official languages has a definite impact on one's performance in the Canadian labour market and if an immigrant is knowledgeable in English and/or French to the extent that he or she speaks it at home, he or she will be much more successful in the labour market with regards to income than someone who does not speak an official language at home. Immigrants who speak English or French at home will continue to exponentially increase their income over the first four years in Canada in relation to those who do not speak English or French at home.

The ‘home language’ variable is also interacted with region of birth to see if there are any differences among European immigrants with regards to their use of an official Canadian language at home and its impact on performance in the labour market. Table 8 presents the predicted employment probabilities during the first six post-immigration months in relation to home language for the three regions of birth.

Table 8 – Predicted Employment Probability (%) for Region of Birth by Home Language in Wave 1

Home Language	Western Europe	Eastern Europe	Southern Europe
Home language is English or French	61.4	35.9	38.3
Home language is not English or French	36.9	45.1	45.3

Western Europeans have a 61% probability of employment within the first six months in Canada if they speak an official Canadian language at home. On the other side, Western Europeans who do not speak English or French have an employment probability of only 37% in their first six months. The opposite effect is true for Eastern and Southern European immigrants who have a higher employment probability if they do not speak English or French at home. Immigrants from both regions have an employment probability of 45% if they do not speak English or French at home. Meanwhile, Eastern Europeans have a 36% probability of employment, and Southern Europeans a 38% probability of employment within six months if they do speak English or French at home. Table 9 gives the predicted income values of European immigrants after two and four post-immigration years in relation to their home language.

Table 9 – Predicted Income ($1000s) for Region of Birth by Home Language in Waves 2 and 3

	WAVE 2				WAVE 3		
Home Language	**Western Europe**	**Eastern Europe**	**Southern Europe**		**Western Europe**	**Eastern Europe**	**Southern Europe**
Home language is English or French	18.363	10.871	8.206		24.208	20.428	11.931
Home language is not English or French	8.182	10.214	10.178		7.510	12.629	15.454

Note: Wave 2 and 3 incomes are based on a 12-month period.

Western European immigrants are predicted to earn $18,300 a year after two years in Canada if they speak an official language at home, and only $8,000 if they do not. After four years in Canada, those who speak an official language are predicted to earn an average of $24,000, while those that do not have a drop in income from Wave 2 to $7,500. Eastern Europeans have very even earnings after two years between those who speak an official language and those that do not. Immigrants who speak English or French at home have a predicted income of $10,800, and those that do not have a predicted income of $10,200. After four years, however, a much larger income gap forms between the two. In Wave 3, Eastern Europeans are predicted to earn $20,400 if they speak an official language at home and $12,600 if they do not. Southern Europeans display a different trend in that those who do not speak English or French at home are the ones with higher earnings. After two years in Canada, Southern Europeans who speak English or French at home have a predicted income of $8,200, while those who do not speak it have a predicted income of $10,000. After four years, the gap increases slightly. Those who speak English or French at home earn $11,900, while those that do not are predicted to earn $15,400.

The findings above suggest that it matters whether or not one speaks an official language at home. While the gap in earnings between those who do not speak English or French at home and those that do is quite small in Wave 1, it gets progressively larger over the first four post-immigration years in favour of those who do speak English or French at home. This means that over time, home language becomes more important and is more of a factor in one's economic performance. While the income slope of those who do not speak English or French begins to level off between Waves 2 and 3, those who do speak English and French at home see a steep upward slope, meaning a sharp increase in earnings over time. Immigrants who do not speak English or French at home seem to reach a level of earnings beyond which they do not progress, or progress minimally.

Looking at the differences among the different groups of European immigrants, there is a mix of results. In terms of employment in Wave 1, speaking English or French at home seems to be more important for Western Europeans since those who speak an official language at home have a much higher employment probability than those who do not. This is also the case for income in Waves 2 and 3. Those who speak English or French have a much higher income over the first four post-immigration years than those who do not. The same is not true for Eastern and Southern Europeans who actually have a higher employment probability in Wave 1 if they do not speak English or French at home. Southern Europeans even have a higher income in Waves 2 and 3 if they do not speak English or French at home. Eastern European immigrants have a very similar income regardless of whether or not they speak an official language at home, while those that do speak it do pull ahead in terms of earnings in Wave 3, although not by nearly as

large of a margin as is the case among Western Europeans. One reason for the seeming unimportance of home language for Eastern and Southern Europeans could be that, while waiting for their foreign work experience to be accepted, they find temporary employment, probably of lower status, that does not require much proficiency in a Canadian official language. The findings, however, most probably suggest that not speaking an official language at home does not necessarily mean one lacks proficiency in that language. This actual statistics are provided in the discussion section below, but a significant number of Southern and Eastern European immigrants who do not speak English at home actually report being able to speak it well or very well, and state that they use it only outside the home in a work setting. This means that for Eastern and Southern European immigrants, the language spoken at home does not have as much of an impact on one's performance in the Canadian labour market as it does for Western Europeans.

Gender and the Labour Market

Gender was an important variable to include in the model because it was expected that there would be differences in economic performance between men and women. As was described in the hypothesis section, men were, in general, expected to do better than women in the Canadian labour market. Findings show that men make up most of the principal applicants in the immigration application process, suggesting they have higher credentials than women and are headed for the labour force. Women, on the other hand, may have household responsibilities (especially if immigrating as a family with children) that would keep them out of the labour force, at least initially.

In terms of differences among the European immigrant population, women from Eastern and Southern Europe were expected to do the worst economically over the first four post-immigration years. They are believed to be the most disadvantaged group coming into Canada not only as women, but with low English or French language proficiency as well as coming from regions whose economic structure is much different to that of North America. This combined with household responsibilities would make it very difficult for these women to not only enter, but also to perform well in the labour market. On the other hand, men from Western Europe were expected to have the best economic performance over the first four post-immigration years of all the immigrant groups. Not only do they come from countries whose economic structure is similar to that of North America making work experience more readily transferable, they are also likely to have a good level of English or French language proficiency, and their lack of household responsibilities make it an easier and quicker transition into the Canadian labour market. The interaction between the variables 'country of birth' and 'gender,' however, was not significant in any of the models, so differences between men and women could only be looked at by taking the entire European immigrant population into account. Despite this, the findings for the 'gender' and 'region of birth' interaction are reported below.

As was expected, findings show that, in general, men tend to be more successful than women in terms of economic performance over the first four post-immigration years. This could be for a number of reasons, the main being that women primarily enter Canada as part of the family class and are not the ones necessarily headed for the labour

force. Moreover, men tend to have more transferable credentials considering the occupations they are involved in and so it is easier to get them accepted in the Canadian labour market. Another reason could be that women take on part-time employment in order to be able to balance out home and work life and end up making a much lower salary than her husband or male partner who has the freedom and the lack of domestic responsibility to take on full-time employment.

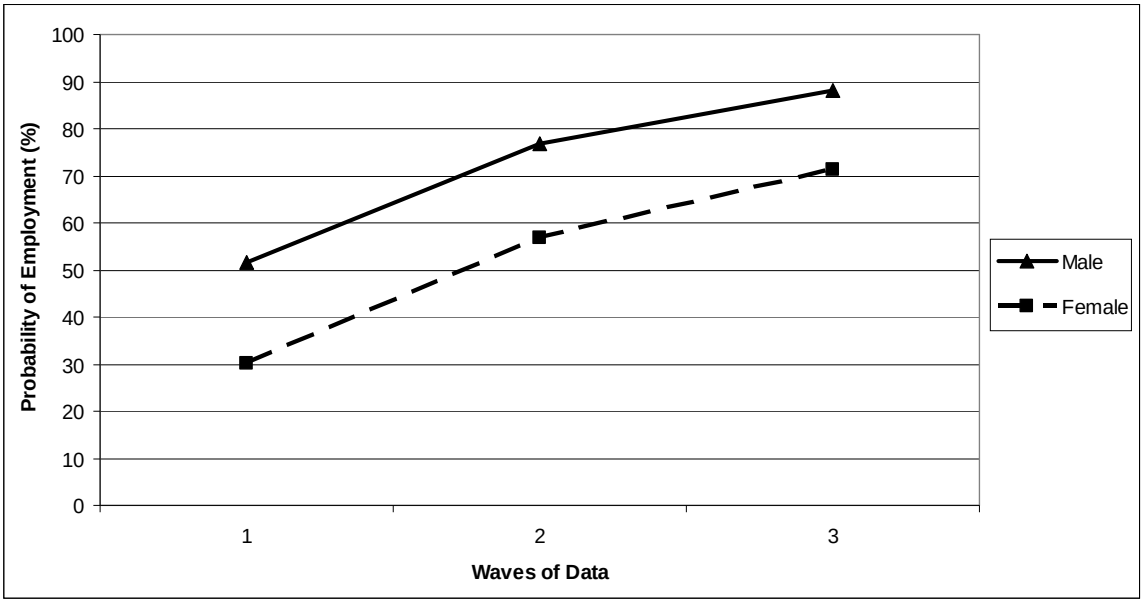
Looking first at the probability of employment (Table 10), men have a 52% probability of being employed within six months, while the women have an only 30% probability. After two years, men have a 77% probability of employment, while women have a 57% probability. Finally, after four years, men have an 88% probability of employment, while women are at 71%.

Table 10 – Predicted Probability of Employment (%) by Gender over the 3 Waves of Data

Gender	WAVE 1	WAVE 2	WAVE 3
Male	51.5	76.8	88.1
Female	30.2	56.7	71.3

The slope pattern (Figure 5) pertaining to these numbers shows that men have a significantly higher upward trajectory than women throughout the first four post-immigration years. Despite a slight decrease in the difference between the two probabilities at Wave 3, there is no strong evidence of the latter catching up to the former even after four years in Canada.

Figure 5 – Probability of Employment Slopes by Gender over the 3 Waves of Data



Analysing this a little bit deeper and investigating the nature of employment, it is clear that men have a much greater chance of being employed full-time, hence, a better probability of earning a higher income. Table 11 presents the findings for the nature of employment. According to the data pertaining to all European immigrants, men have a 50% probability of being employed full-time within the first six months, while women have a 28% probability of doing the same. After two years, men have a 75% and women a 48% probability of being employed full-time. Finally, after four years, men have an 84% probability and women a 58.5% probability of being involved in full-time employment.

Table 11 – Predicted Probability of the Nature of Employment (%) by Gender over the 3 Waves of Data

WAVE 1			
Gender	**Not Working**	**Full-time**	**Part-time**
Male	43.4	49.9	6.7
Female	65.6	27.7	6.7
WAVE 2			
Gender	**Not Working**	**Full-time**	**Part-time**
Male	20.2	74.6	5.3
Female	40.1	48.3	11.6
WAVE 3			
Gender	**Not Working**	**Full-time**	**Part-time**
Male	10.8	83.9	5.3
Female	27.6	58.5	14.0

Part-time employment shows an interesting pattern. Both men and women start of with exactly the same probability of being involved in part-time employment (6.67%) six months after entering Canada. After Wave 1, however, there is a clear divergence in slopes. Women continue to have a rise in probability to 12% in Wave 2, and to 14% in Wave 3, while the men's probability in part-time employment declines to 5.3% in Wave 2 and then stays at that level in Wave 3 as well.

While the probability of full-time employment rises for both genders throughout the first four years in Canada, the probability of not working decreases just as steeply. After six months in the country, women have a much greater probability of not working at 66%, while men have a 43% probability of not working. Both numbers decline quite substantially to 40% for women and to 20% for men. After four years in Canada, women have a 28% probability of not working, while men have an only 11% probability of doing the same.

The overall picture is that men are more likely than women to be involved in full-time employment at any point over the first four years in Canada. While both men and women have the same probability of part-time employment in Wave 1, there is a steep divergence between the two as women increase their participation in part-time employment and men decrease theirs. Finally, while women and men both have sharp declines in terms of not working over the first four post-immigration years, women continue to have the larger proportion of those not working over the three waves of data.

In relation to earnings (Table 12), men and women are quite close in Wave 1. Men are predicted to earn just over $2,000 more in the first six months in Canada. The earnings gap, however, gets much larger by Wave 2 with men having an income that is more that twice as large as that of women. In Wave 3, men earn about the same as they did in Wave 2 and even though women do improve on their earnings by about $2,000, there is no real evidence that the earnings are converging, or that they may converge over time.

Table 12 – Predicted Income ($1000) by Gender over the 3 Waves of Data

Gender	WAVE 1	WAVE 2	WAVE 3
Male	5.516	19.057	19.038
Female	3.309	8.874	10.527

Note: Wave 1 income is for six months, while Wave 2 and 3 incomes are for 12 months.

The findings show that gender is an important variable to take into consideration as male and female European immigrants clearly perform differently in the labour market. The vast majority of female immigrants enter Canada with their husbands, and during the first six post-immigration months most women are not working. They either

take care of the household or are students. The majority of those that do make an income work part-time. On the other hand, more than half of male immigrants are employed during Wave 1. Moreover, most of these men are employed full-time.

Over two and four post-immigration years, men continue to have a much better economic performance than women, and even though the latter do make large improvements in terms of the probability of employment, full-time employment and income, there is no evidence that they are catching up to their male counterparts. Even though many women enter the labour force in Wave 2, men still increase their probability of employment as well as full-time employment at a much faster rate then the women do. Furthermore, the probability of working part-time decreases for men while it increases rapidly for women. This is reflective in earnings. The mainly part-time work that women do does not allow for a large enough income to challenge that which men make working mainly full-time even after four post-immigration years.

Even though there were expected to be differences in economic performance between men and women coming from different regions of Europe, the 'gender' by 'region of birth' interaction produced a null finding[17]. While 'gender,' on its own, showed to have a significant effect on the economic performance of recent European immigrants, the region of birth did not prove to have an effect that would lead to a significant difference in the performance between male and female immigrants.

[17] For income: Wave 1 ($F=1.43$, $df=2,1195$, $p<.2405$), Wave 2 ($F=0.52$, $df=2,1195$, $p<.5935$), Wave 3 ($F=0.14$, $df=2,1189$, $p<.8728$)

For employment probability: Wave 1 ($F=1.83$, $df=2$, $p<.4015$), Wave 2 ($F=0.35$, $df=2$, $p<.8408$), Wave 3 ($F=0.53$, $df=2$, $p<.7677$)

Despite this fact, the results will be reported as a way to demonstrate that there is nothing much going on (i.e. that there are not large differences in performance between men and women taking into consideration their region of birth). Table 13 presents the probability of employment for men and women based on their region of birth over the first four post-immigration years.

Table 13 – Predicted Probability of Employment (%) based on Gender and Region of Birth

		Wave 1		Wave 2		Wave 3	
	Gender	Male	Female	Male	Female	Male	Female
Region of Birth	Western Europe	61.7	45.5	82.0	67.3	86.6	71.2
	Eastern Europe	55.8	33.6	77.7	56.4	91.2	75.9
	Southern Europe	62.3	31.0	84.2	65.5	90.3	71.2

Findings show that regardless of region of birth, male immigrants have very similar probabilities of employment in each of the three waves. Western European and Southern European men have the more similar figures, while Eastern European men go from having the lowest probability of employment in Waves 1 and 2 to having the highest in Wave 3, but the difference between them and the other male immigrants in the analysis is negligible. With regards to female immigrants, Western European women pull ahead in terms of employment probability in Wave 1 and continue to have a slight edge over the other female immigrants in Wave 2. In Wave 3, however, they maintain the same employment probability as Southern Europeans, while Eastern European women end up with a slightly higher employment probability after four post-immigration years.

In terms of the difference between male and female immigrants from the same region of birth, the smallest difference in employment probability in Wave 1 is among

Western European immigrants, while the largest difference between the performance of male and female immigrants is among Southern Europeans. After four post-immigration years, the difference in performance between men and women decreases significantly for each region of birth and these differences are almost identical (i.e. there is a difference of 15% in the probability of employment between men and women of Western Europe, a 15% difference among those from Eastern Europe, and a 19% difference among those from Southern Europe). Moreover, looking at the actual probabilities of employment in Wave 3, men and women have very similar figures regardless of region of birth.

Findings in relation to income simply accentuate the fact that there is no significant difference in the labour market performance among men and women taking into account region of birth. Table 14 presents the predicted income for male and female immigrants based on their region of birth over the first four post-immigration years.

Table 14 – Predicted Income ($1000s) based on Gender and Region of Birth

		Wave 1		Wave 2		Wave 3	
	Gender	Male	Female	Male	Female	Male	Female
Region of Birth	Western Europe	8.016	3.918	20.203	8.196	19.441	9.554
	Eastern Europe	4.991	3.255	15.744	7.479	20.117	10.903
	Southern Europe	5.464	3.516	17.226	6.794	24.730	12.333

Note: Wave 1 income is for six months, while Wave 2 and 3 incomes are for 12 months.

Despite the fact that Western European men have a higher income than other male immigrants in Wave 1, they have the smallest increase in earnings over the first four years in Canada and end up with the lowest income in Wave 3. The difference, however, between their income and that of Eastern Europeans in Wave 3 is negligible, while

Southern European men are not that far ahead. The difference in income among female immigrants is almost unnoticeable throughout the three waves. In Wave 1, the women have the identical income regardless of region of birth, while in Waves 2 and 3 the difference is minimal.

In terms of the difference in income between male and female immigrants from the same region of birth, the findings for Wave 1 are opposite to those pertaining to the employment probability. Here, it is Western Europeans who have the largest difference in income between men and women, while Eastern and Southern European immigrants have the same, much smaller, difference in earnings between the two genders. By Wave 3, the difference in earnings between men and women increases exponentially for all regions of birth. Western and Eastern European immigrants end up with an almost identical difference in earnings between men and women, while Southern Europeans have a slightly larger difference at just over $12,000.

The findings, therefore, for both the probability of employment and income show little to no difference between the performance of men and women and their region of birth. This suggests that while the effect of gender is significant on its own, this significance disappears once region of birth is interacted with it. In other words, the place one comes from is deemed unimportant when looking at gender differences in relation to the performance of recent European immigrants in the Canadian labour market. This was an unexpected finding and one that is worth exploring further.

While the previous four sections explored the relationship between four important independent variables and the economic performance of recent European immigrants, the following two sections will delve deeper into an analysis of the relationship between the region and country of birth and labour market performance.

Immigrants and the Probability of Employment

One way of evaluating economic performance in the labour market is to look at the chances one has of being employed in each of the three waves of data. This information will shed light on whether or not an immigrant is able to find work and earn an income over the first four post-immigration years. Table 15 shows the predicted probabilities of employment over all three waves of data, first for the broader regions of birth and then for specific countries within those regions.[18]

[18] These results are controlled by the following variables: age, gender, marital status, immigration status (e.g. skilled worker, family class), education, language proficiency, province of destination, occupation and immigrating structure (e.g. single, with family).

Table 15 - Predicted Probabilities of Employment (%) by Region and Country of Birth over the 3 Waves of Data

Region of Birth	Wave 1 (six months)	Wave 2 (two years)	Wave 3 (four years)
Western Europe	54.3	75.9	80.2
Eastern Europe	45.2	68.2	86.3
Southern Europe	46.2	76.1	82.5
Country of Birth			
France	63.0	87.5	89.8
Germany	39.8	55.3	63.6
Netherlands	38.1	71.5	75.2
Bulgaria	46.5	78.0	81.8
Poland	37.0	79.1	92.4
Romania	37.7	65.6	91.2
Slovakia	52.9	56.1	71.4
Russia	39.1	50.5	74.9
Ukraine	32.2	51.1	79.5
UK	53.6	72.8	74.2
Albania	31.0	72.5	89.9
Bosnia	31.6	66.4	74.6
Croatia	28.1	75.8	72.9
Yugoslavia	39.1	65.9	66.5

Results show that after six post-immigration months in Canada, Western European immigrants have the highest probability among the three regions of being employed, with Eastern and Southern Europeans having almost identical figures to each other. Of all the individual countries in the analysis, immigrants from France have, by far, the highest probability of employment in Wave 1. The French are followed by those from the UK who have an employment probability of just under 54%. A perhaps surprising finding is that immigrants from Slovakia also have an employment probability above 50% in Wave 1, but it should be noted that the low number of Slovaks in the analysis (19)[19] is likely to be the reason for such a result. Apart from Bulgarian immigrants who have a 46.5% probability of being employed within the first six months in Canada, the

[19] Sample sizes are all presented in Appendix A.

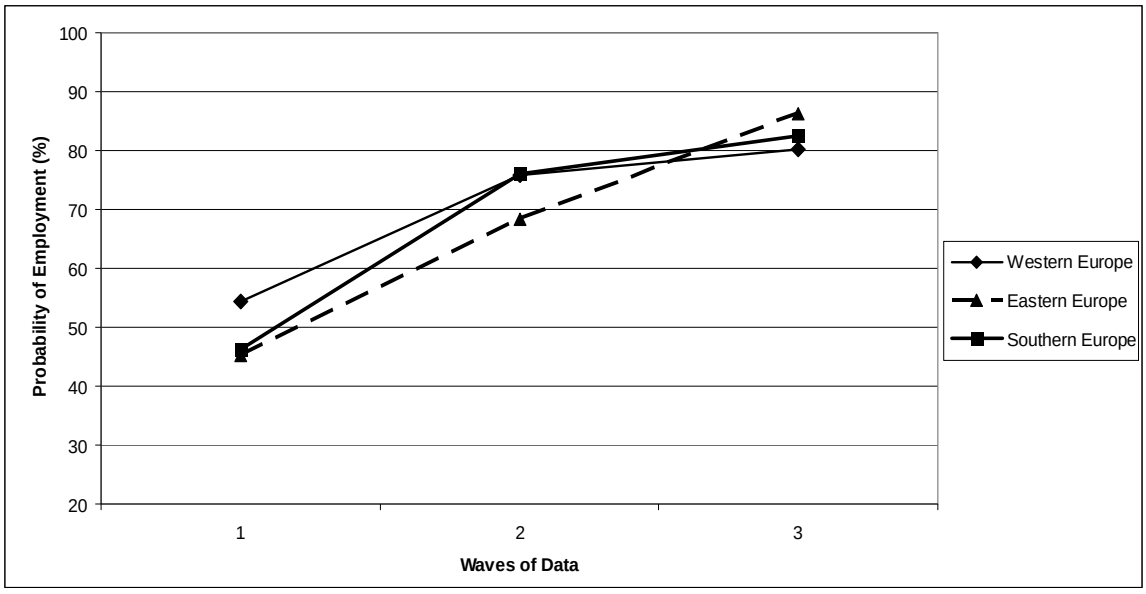
rest are in the 30% range except for Croatian immigrants who have a 28% probability of employment in Wave 1. It is evident from these Wave 1 findings that the majority of immigrants, regardless of the wider geographic region, are pretty close together in terms of employment probability during the first six post-immigration months.

In the second wave of data, collected two years after immigration to Canada, Eastern and Southern European immigrants not only begin to close the employment probability gap between themselves and Western Europeans, but Southern Europeans actually attain a slight edge over the Western European immigrants. After four post-immigration years (Wave 3) Western Europeans have the lowest employment probability. They stand at 80.2% while Southern Europeans are at 82.5% and Eastern Europeans at an 86.3% probability of being employed. French immigrants, however, continue to have the highest probability of employment with 88% after two post-immigration years, and this probability stays about the same in Wave 3 of data, or four years after arrival, at just under 90% (See Table 15). Therefore, the probability of employment for the French immigrants has a rapid increase from Wave 1 to Wave 2 (63% to 88%) and then begins to level off at Wave 3. This general pattern, in fact, seems to be true for all the Western European countries in this analysis. German immigrants go from a 40% probability of employment in Wave 1 to a 55% probability in Wave 2, after which the steepness of the slope decreases as the probability of employment in Wave 3 is 64%. The Dutch immigrants' probability of employment in Canada progresses from 38% in Wave 1 to 71% in Wave 2 and ends up at 75% in Wave 3. Finally, immigrants from the UK have a

54% probability of employment in Wave 1, a 73% probability in Wave 2 and a 74% probability of employment in Wave 3.

Looking at the numbers for Western European immigrant groups, it is evident that they all display a similar slope in terms of their probability of employment over the first four years of living in Canada. There is a rapid increase in probability resulting in a very steep slope from Wave 1 to Wave 2 and even though there may still be a slight increase in probability from Wave 2 to Wave 3, this increase is minimal, resulting in a sharp decline in the steepness, and an almost "levelling-off" of the employment probability slope. Figure 6 shows the slopes pertaining to the region of birth.

Figure 6 - The Probability of Employment (%) by Region of Birth over the 3 Waves of Data



With the exception of a couple of Southern European nations[20], immigrants from East and South Europe display employment probability slopes that are steeper in nature than those of Western European immigrants. Instead of a sharp decrease in steepness or "levelling-off" effect in the slope from Wave 2 to Wave 3 data which proved characteristic of Western European immigrant data, Eastern and Southern European immigrants to Canada display a steep increase in slope over the entire first four post-immigration years. For example, Polish immigrants jump from a 37% probability to a 79% probability of employment from Wave 1 to Wave 2 and then move up to a 92% probability of employment in Wave 3. Similarly, Romanian immigrants go from 38% in Wave 1 to 66% in Wave 2 and to 91% probability of employment in Wave 3. Russian and Ukrainian immigrants also display the steep increase in employment probability over their first four years of living in Canada. The Russians move from 39% to 51% to 75% in probability while the Ukrainians move from 32% to 51% to 79% in probability over the three waves of data. Albanian immigrants make the largest jump in probability of employment from the first to the third wave of all the nations, going from 31% to 72% to 90%, and end up having the third highest employment probability of all the countries in Wave 3 following Poland and Romania.

In addition to investigating the probability of being employed, it is useful to look at the nature of that work to see which groups are more likely to be involved in full-time and which in part-time employment. Tables 16, 17 and 18 present the predicted

[20] The two exceptions are Croatian and Yugoslavian immigrants who do not display the same steep employment probability slope as do immigrants from other, non-Western nations. The probability for Croatia goes from 28% in Wave 1 to 76% in Wave 2 and actually decreases a bit to 73% in Wave 3. Immigrants from Yugoslavia go from a 39% probability of being employed in Wave 1 to a 66% probability in Wave 2 and a 66% probability in Wave 3.

probabilities of working full-time, part-time as well as the probability of not working first by region of birth and then by country over the 3 waves of data. Table 16 presents Wave 1 findings, Table 17 presents Wave 2 findings and Table 18 presents Wave 3 findings.

Table 16 - Predicted Probabilities (%) of Working Full-time, Part-time and Not Working by Region and Country of Birth in Wave 1

Region of Birth	Full-time	Part-time	Not Working
Western Europe	48.0	4.8	47.2
Eastern Europe	36.1	6.7	57.1
Southern Europe	33.3	10.0	56.8
Country of Birth			
France	59.0	3.2	37.8
Germany	36.7	2.1	61.2
Netherlands	35.3	3.1	61.6
Bulgaria	34.0	8.1	57.9
Poland	39.6	0.0	60.4
Romania	28.4	6.1	65.4
Slovakia	37.8	11.9	50.3
Russia	27.9	7.7	64.4
Ukraine	26.4	3.6	70.0
UK	40.2	10.6	49.2
Albania	18.2	10.2	71.6
Bosnia	18.9	8.6	72.5
Croatia	19.4	4.4	76.2
Yugoslavia	23.7	11.0	65.3

Apart from having the highest probability of being employed within the first six months of living in Canada, Western European immigrants also have the highest probability of working full-time and the lowest probability of working part-time in Wave 1. Of all the individual countries in the analysis, French immigrants have the highest probability of being employed full-time (59%). British immigrants are the only other Western European group that stands out with a 40.2% probability of full-time employment in Wave 1. Immigrant groups that show the lowest probability of working part-time are those from Germany, France and the Netherlands with a range of 2-4%.

Eastern Europeans have the next highest probability of full-time employment at 36% and the second lowest probability of part-time employment at 6.7% in Wave 1. All Eastern European nations are in the 30% range in terms of the probability of full-time employment, other than Romanians, Russians and the Ukrainians who fall slightly below the 30% mark. All Eastern Europeans are also in single digits in terms of part-time employment other than Slovakian immigrants who have an almost 12% probability of working part-time. Poland stands out as the only group among all European immigrants to have zero probability of working part-time during the first six months in Canada.

Southern European immigrants are on the other end of the spectrum, having the lowest probability of working full-time and the highest probability of working part-time of all the groups in the analysis in Wave 1. Only immigrants from Yugoslavia are above the 20% mark in terms of full-time employment. Croats and Bosnians fall below 20%, while Albanians have an 18.2% probability of working full-time within the first six months in Canada, the lowest of all immigrant groups investigated here. With regards to part-time employment, Croatian immigrants have the lowest probability among all Southern Europeans with 4.4%, while those coming from Yugoslavia have the highest at 11%. This finding, however, is not very surprising considering that most Southern European immigrants in the analysis are refugees, a large number of which receive social assistance from the Canadian government upon entry into the country,

Table 17 - Predicted Probabilities (%) of Working Full-time, Part-time and Not Working by Region and Country of Birth in Wave 2

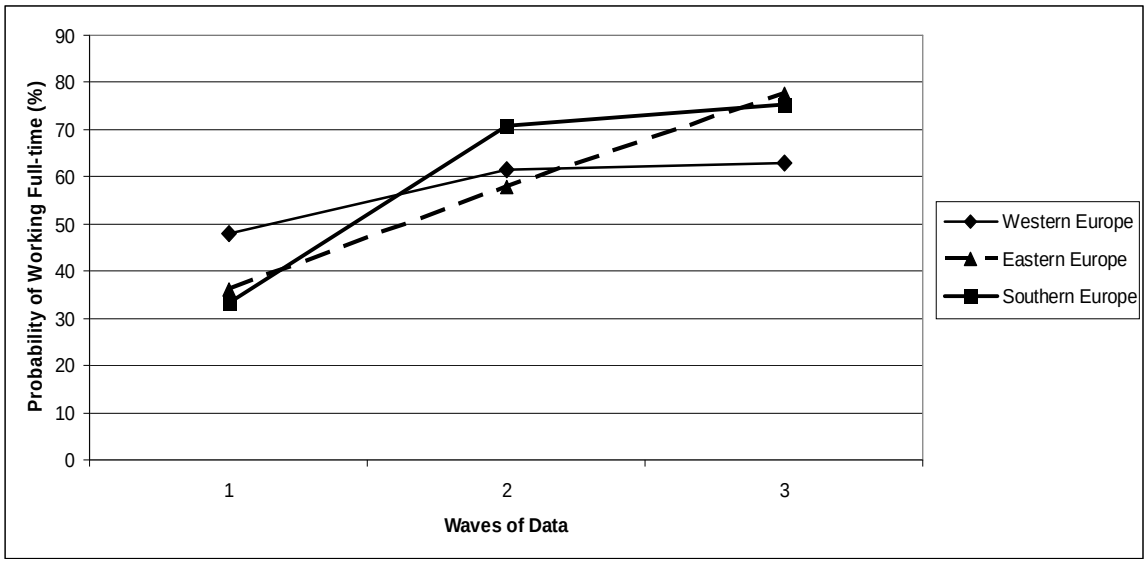
Region of Birth	Full-time	Part-time	Not Working
Western Europe	61.5	12.1	26.5
Eastern Europe	57.8	8.7	33.5
Southern Europe	70.8	4.4	24.8
Country of Birth			
France	75.7	11.2	13.1
Germany	50.7	2.9	46.4
Netherlands	56.7	10.9	32.4
Bulgaria	61.5	13.8	24.6
Poland	79.5	0.0	20.5
Romania	57.9	6.1	36.0
Slovakia	54.7	0.0	45.3
Russia	40.2	7.3	52.5
Ukraine	46.6	2.9	50.5
UK	62.0	9.1	28.8
Albania	71.9	1.0	27.2
Bosnia	59.0	4.8	36.2
Croatia	64.6	7.5	27.9
Yugoslavia	56.3	6.6	37.1

Table 18 - Predicted Probabilities (%) of Working Full-time, Part-time and Not Working by Region and Country of Birth in Wave 3

Region of Birth	Full-time	Part-time	Not Working
Western Europe	62.8	15.0	22.1
Eastern Europe	77.7	7.6	14.7
Southern Europe	75.4	6.2	18.4
Country of Birth			
France	77.0	13.5	9.5
Germany	55.5	9.0	35.5
Netherlands	61.7	14.2	24.1
Bulgaria	74.4	8.4	17.3
Poland	89.4	4.1	6.5
Romania	84.6	7.5	7.9
Slovakia	73.8	0.0	26.2
Russia	71.1	5.8	23.2
Ukraine	73.2	7.7	19.1
UK	52.1	24.3	23.7
Albania	80.8	9.8	9.4
Bosnia	71.3	5.3	23.4
Croatia	67.0	6.8	26.2
Yugoslavia	67.5	3.1	29.3

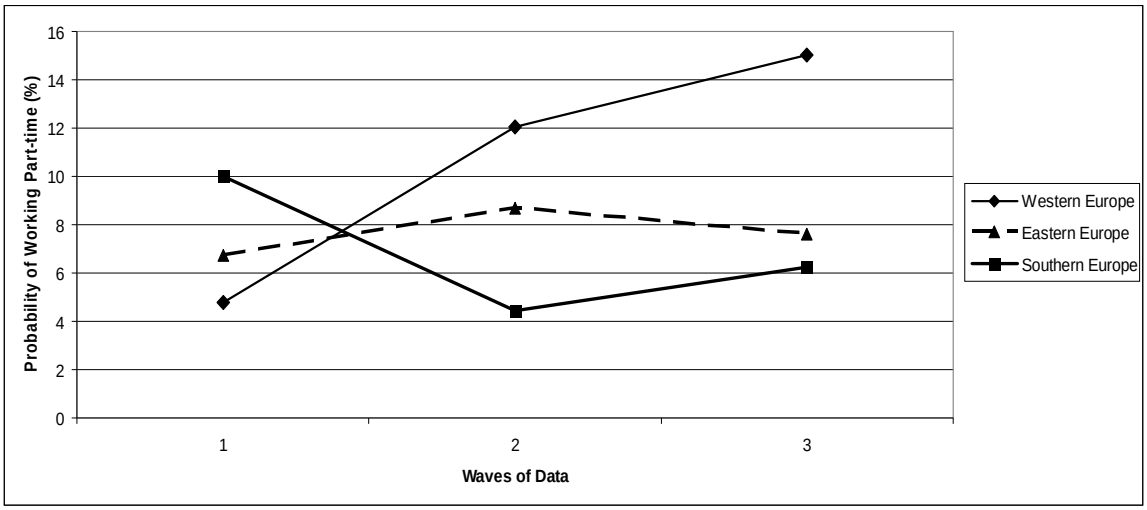
The data pertaining to the probability of being involved in full-time employment over two and four post-immigration years reveals a very similar slope pattern to that of the probability of employment discussed above. Immigrants coming from Western European countries have a moderately steep upward slope from Wave 1 to Wave 2 in terms of the probability of them working full-time in Canada, but this slope, although remaining upward in nature, decreases rapidly in steepness by Wave 3 so much so that Western Europeans end up with the lowest probability of full-time employment after four post-immigration years. Figure 7 (below) presents the full-time probability slopes for region of birth. The French have a 59% probability of full-time employment in Wave 1, a 76% probability on Wave 2 and a 77% probability in Wave 3. German immigrants go from a 37% probability in Wave 1 to a 51% probability on Wave 2 and settle on a 56% probability of full-time employment in Wave 3. Finally, the Dutch immigrants start off with a similar Wave 1 probability to the Germans at 35%, then go to a 57% probability in Wave 2 and finally end up with a 62% probability of being involved in full-time employment in Wave 3. The exception is immigrants from the UK whose slope actually decreases from Wave 2 to Wave 3. UK immigrants have a 40% probability of working full-time in Wave 1. This probability increases to 62% in Wave 2 and then drops off rapidly to 52% in Wave 3. These findings will be discussed later.

Figure 7 - The Probability of Working Full-time by Region of Origin over the 3 Waves of Data



This general slope pattern perhaps suggests that Western Europeans are able to adjust well to their new environment and integrate rapidly into the Canadian labour market and are able to perform almost to their maximum within two years of residing in Canada. Therefore, from two to four years, there simply is not much more improvement that can be made. The decrease in the steepness of the full-time employment slope for Western Europeans from Wave 2 to Wave 3 corresponds to an abrupt increase in the probability of part-time employment during the same period. Figure 8 presents the slopes for the probability of part-time employment according to region of birth.

Figure 8 - Probability of Working Part-time by Region of Birth over the 3 Waves of Data



Western Europeans progress from having the lowest probability of part-time employment in Wave 1 to having the highest probabilities in Waves 2 and 3. They settle at 15% probability of working part-time after four post-immigration years, almost twice that of Eastern Europeans and more than double that of Southern Europeans. An analysis of individual countries displays the same patterns. French immigrants have a 3% probability of working part-time in Wave 1, an 11% probability in Wave 2 and a 13% probability in Wave 3. German immigrants have a 2% probability of working part-time in Wave 1, a 3% probability in Wave 2 and a 9% probability in Wave 3. Similarly, Dutch immigrants to Canada have a 3% probability of working part-time in Wave 1, an 11% probability in Wave 2 and a 14% probability in Wave 3. Finally, while having a slight drop in the probability of working part-time from 10.6% in Wave 1 to 9.1% in Wave 2, British immigrants have an enormous jump to a 24.3% probability in Wave 3, the highest probability of part-time employment of all the immigrants in the analysis. This coincides

with their equally abrupt decrease in full-time employment after four post-immigration years discussed above.

Data pertaining to Eastern and Southern European immigrant groups produces full-time employment slopes that maintain a steepness which generally exceeds that of the Western European immigrants from Wave 2 to Wave 3 (see again Figure 7). This suggests that Eastern and Southern European immigrants continue to improve on their economic performance in terms of full-time employment in the Canadian labour market, while Western European immigrants seem to reach a plateau after the first two years of residing in this country. After four post-immigration years, Eastern Europeans have the highest probability of full-time employment (77.7%), while Southern Europeans are close behind with a 75.4% probability. Polish immigrants, for example, have a 40% probability in Wave 1 of working full-time in Canada. In Wave 2, the probability is 79% and in Wave 3 it is an impressive 89%, the highest value among all the countries in Wave 3. Romanians have an equally solid improvement in economic performance with a 28% probability of working full-time in Wave 1, a 58% probability in Wave 2, and an 85% probability in Wave 3. Moving towards Southern Europeans, Bosnian immigrants have a 19% probability in Wave 1, a 59% probability in Wave 2 and a 71% probability on Wave 3 of being involved in full-time employment. Finally, Yugoslav immigrants are no exception to the slope pattern displayed by the other Eastern and Southern European immigrants with regards to participation in full-time employment over the course of the first four years of living in Canada. They have a 24% probability in Wave 1, a 56% probability in Wave 2 and a 68% probability on Wave 3 of doing full-time work.

Therefore, it seems that despite coming into the country as refugees with low levels of education and receiving income from the Canadian government, Southern Europeans are able to recover. They enter the labour market, probably with some assistance from government sources, and perform respectably well over the first four years in Canada.

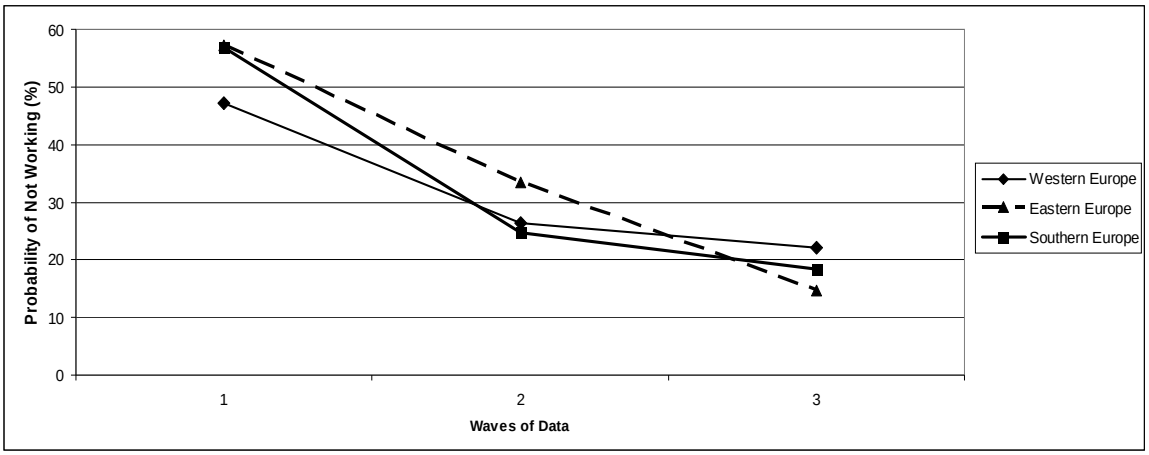
The high probabilities in relation to full-time employment for Eastern and Southern Europeans in Wave 3, correspond to low probabilities of part-time employment. Southern Europeans go from having the highest probability of part-time employment in Wave 1 to having the lowest in Wave 3 (see again Tables 16 and 18). For example, while having the highest probability of working part-time in Wave 1, immigrants from Slovakia have a virtually zero probability of doing the same in Waves 2 and 3. They have the steepest downward slope of all the immigrant groups in the analysis. Immigrants from Russia and Yugoslavia also have downward slopes in terms of part-time employment and even though they are not as steep as that of the Slovakians, the probability of working part-time progressively decreases for both of these nations over the first four years of living in Canada. One exception are Albanian immigrants who have a 10% probability of working part-time in Wave 1, an almost 0% probability of doing the same in Wave 2 and a probability of just under 10% in Wave 3.

While the findings above show that a certain segment of European immigrants is able to find employment in one form or another during the first six months of residence, a much larger portion does not work at all in this period (see again Table 16). Eastern European immigrants have the largest probability of not working with 57%. They are

followed closely by Southern Europeans, while Western Europeans also have a considerable probability of not working of 47.2% even though it is the lowest among all the immigrants. Croatians have the highest proportion of immigrants not working with 76%. They are followed by Bosnians at 72%, Albanians at 71% and Ukrainians at 70%. French immigrants have the lowest proportion of those not working at 38% in Wave 1, followed by those from the UK with 49% and from Slovakia with 50%, and the rest of the nations falling in between, around the 60% mark[21].

Despite the fact that the majority of immigrants are not working within the first six months of living in Canada, this is not the case by Wave 3. Values relating to the probability of not working drop for each country from Wave 1 to Wave 2, and then further so from Wave 2 to Wave 3. The downward slopes, however, vary in steepness as shown in Figure 9 which presents the slopes for regions of birth.

Figure 9 - Probability of Not Working (%) by Region of Birth over the 3 Waves of Data



[21] Germany (61%), Netherlands (62%), Bulgaria (58%), Poland (60%), Romania (65%), Russia (64%), Yugoslavia (65%).

The steepest downward slope is displayed by Albanian immigrants who drop from a 72% probability of not working in Wave 1 (the third highest after Croatia and Bosnia) to a 27% probability of not working in Wave 2, to a 9% probability of not working in Wave 3 (the third lowest probability after Romania and Poland). This is a 63% drop in total over the first four years of residing in Canada. In fact, the top seven steepest downward slopes pertaining to the probability of not working over the course of the three waves of data belong to non-Western European countries. This means that Southern and Eastern European countries have a much more abrupt drop in the number of immigrants without employment during the first four years in Canada than Western European nations. For example, Romanian immigrants' probability of not working drops a total of 57% over the three waves of data. The probability decreases from 65% in Wave 1 to 36% in Wave 2, and to 8% in Wave 3. Russian immigrants also have impressive numbers since their probability of not working drops from 64% in Wave 1 to 52% in Wave 2 and then to 23% in Wave 3, a total of 41% (they have the 7th steepest downward slope of all the countries).

Netherlands has the steepest slope of all the Western European countries. Dutch immigrants have a 62% probability of not working in Wave 1, a 32% probability in Wave 2 and a 24% probability in Wave 3. The Dutch immigrants are followed by Yugoslav ones who are, in turn, followed by French, German and British immigrants respectively, in terms of the steepness of the downward slope. The French have a 38% probability of not working in Wave 1, a 13% probability in Wave 2 and a 10% probability in Wave 3. The British have a 49% probability of not working in Wave 1, a 29% probability in Wave

2 and a 24% probability in Wave 3. Slovakian immigrants have the shallowest slope moving from a 50% probability of not working in Wave 1 to a 45% probability on Wave 2 and to a 26% probability of not working in Wave 3.

In summary of all the findings on employment patterns, it is evident that upon entry to Canada and during the first six post-immigration months Western Europeans have the best economic performance among all the European immigrants. They have the highest probability of employment, the highest probability of full-time employment and the lowest probability of part-time employment. Moreover, they have the lowest probability of not working during this initial period in Canada. Eastern and Southern Europeans have a similar economic performance to each other in Wave 1. Their probability of employment as well as that of not working is almost identical. There is only a small difference in the probability of full-time and part-time employment. Eastern Europeans have a slightly greater probability of full-time employment, while Southern Europeans have a slightly greater probability of part-time employment in Wave 1.

By Wave 3, however, Southern and Eastern European immigrants have a massive improvement in economic performance overall, and not only catch up to that of Western Europeans, but also do slightly better. The slopes pertaining to employment probability as well as to the probability of working full-time clearly show this (see Figures 6 and 7). While Western European immigrants seem to reach a point of economic performance past which they do not improve much, Eastern and Southern Europeans have much steeper upward slopes that do not have a decrease in steepness past Wave 2 and towards

Wave 3. One reason for the high level of economic performance for Eastern and Southern Europeans over Waves 2 and 3 is that the majority of non-Western European immigrants do not even enter the labour market by the end of Wave 1. Instead, a large portion of these immigrants spend the first six post-immigration months in school. Some are seeking a higher degree than the one they have, while others are getting language training and work-specific training. By Waves 2 and 3, there is an onslaught of Eastern and Southern Europeans coming out of school and entering the labour market. Having the extra Canadian education and experience, combined with the acceptance of their credentials, these immigrants are able to make huge strides in terms of performance in the labour market. It should be noted that Romanian immigrants have the largest portion of those taking language and job-specific training in Wave 1 of all immigrants and this pays off in terms of employment status in Waves 2 and 3 as Romanians have some of the highest probabilities of employment as well as full-time employment after four post-immigration years.

While Eastern and Southern Europeans have a much steeper increase in the probability of employment as well as in the probability of full-time employment in relation to Western Europeans, the latter have a significant increase in the probability of part-time employment in Wave 3. There is no obvious explanation for why this occurs other than that the majority of those involved in part-time work are women who did not work during the first six months and might take on this work as a supplementary form of income for the household. Nevertheless, while the rate of full-time employment goes down for Western Europeans, that of part-time employment increases rapidly and, as will

be seen, this has an effect on overall predicted earnings after four post-immigration years. The predicted income of recent European immigrants over the first four post-immigration years is discussed next.

Immigrants and Income

While it appears that Eastern and Southern European immigrants do better in terms of employment statistics in Waves 2 and 3, it is unknown what types of occupations these are. In other words, there is no way to tell whether immigrants enter occupations that they are trained for. Therefore, while it may seem impressive that non-Western European immigrants have a greater probability of working full-time after four post-immigration years than Western Europeans, the jobs could be of low status, and something immigrants have to engage in as the only way to make a living until their credentials get accepted or until they attain a certain amount of Canadian work experience. In light of these issues, there is a need for another measure of economic performance and this is income.

Findings show that immigrants coming from Western Europe are predicted to have a higher income than Eastern and Southern Europeans both within the first six months as well as around the two-year mark of living in Canada. Table 19 presents the predicted income for European immigrants by both region and country of birth.[22] It is

[22] The predicted income values discussed here are based on including all European immigrants who took part in LSIC in the model, regardless of their income. In a second model also assessing predicted income values, those with zero income were excluded to see if there would be any differences in outcome. The second model, however, showed little to no difference to the first model in terms of findings. The income values were a bit higher because those with zero income were eliminated from the analysis, and, hence, the

estimated that immigrants from Western Europe are predicted to have an average income of just under $6,000 in the first six months after immigration[23]. This value is based on keeping all other variables in the model such as age, gender, education, home language and past occupation constant. Looking more specifically at countries, Dutch immigrants are predicted to earn the most within six months in Canada, not only the most of the Western Europeans but of all the European immigrants in the sample. The predicted income of Dutch immigrants in Wave 1 is $6,476, keeping all other variables in the model constant. German immigrants are predicted to have an average income of $6,287, while British immigrants are predicted to earn $5,953. French immigrants are shown to earn the least of the Western European nations but more than all except one Eastern or Southern European immigrant group (Poland), with an income of $5,175 after first six months in Canada.

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overall income averages increased, but the patterns stayed the same. Western European immigrants still earned more than Eastern and Southern European ones up to two years of living in Canada. There were, however, slight differences in Wave 3 pertaining to the order of highest to lowest average earnings in the two models. In the one that excluded those with zero income, Eastern European immigrants were shown to have the greatest predicted earnings with an average of $26,121 in the 12 months preceding the Wave 3 interview. Western European immigrants were in second place with an average predicted earnings of $24,653, and Southern Europeans were predicted to earn the least on average with $24,202. These differences however, were minimal and not significant in comparison to the model with all respondents included.

[23] Just as a reminder, this is $6000 in the first six months (i.e. $12,000 per annum).

Table 19 - Predicted Income (1000s of dollars) by Region of Birth and Country of Birth over the 3 Waves of Data

Region of Birth	Wave 1 (six months)	Wave 2 (two years)	Wave 3 (four years)
Western Europe	5.701	13.072	13.777
Eastern Europe	4.051	10.997	14.961
Southern Europe	4.426	10.860	17.582
Country of Birth			
France	5.175	14.487	12.408
Germany	6.287	9.547	8.258
Netherlands	6.476	14.161	10.327
Bulgaria	4.807	14.911	16.563
Poland	5.719	10.134	10.167
Romania	3.686	13.398	21.060
Slovakia	2.617	19.009	19.716
Russia	4.105	9.985	9.484
Ukraine	3.985	11.772	8.955
UK	5.953	17.758	14.611
Albania	4.087	12.054	17.041
Bosnia	3.455	12.835	16.466
Croatia	3.247	13.227	18.913
Yugoslavia	4.501	13.156	15.125

Note: Wave 1 income is for six months, while Wave 2 and 3 incomes are for 12 months.

Southern Europeans are estimated to make just under $4,500 dollars within the first six months in Canada. An investigation of individual countries shows immigrants from Yugoslavia make exactly that average, while immigrants from Croatia, for example, make as little as $3,247 in the first six months. Again, these are not surprising findings considering most of these individuals came into the country as refugees with low levels of education and a lack of credentials. Eastern Europeans are predicted to earn the least among the three regions in Wave 1 with an average of $4,000. Immigrants from Poland, for example, are predicted to earn an average of $5,719, while those from Romania are predicted to earn $3,686. Russian immigrants are predicted to earn just above the regional average with $4,105, while Slovakian immigrants are predicted to earn the least of all the countries in the sample with an average of $2,617 in the first six months. The low

earnings for Eastern Europeans could be indicative of the fact that in Wave 1 many have trouble finding employment due to a lack of Canadian work experience or the non-acceptance of foreign credentials. Therefore, the immigrants may be forced to live off of their savings for a while or take on temporary employment which does not pay as well while they gain some work experience in the country or have their credentials accepted.

After two years, the income of Eastern and Southern European immigrants is a bit under $11,000 for the preceding twelve months (i.e. the 12 months prior to the interview) and is very similar.[24] Looking at individual countries, Southern Europe has almost identical income values. Albania, Bosnia, Croatia and Yugoslavia all have income values that range from $12,000 to just over $13,000, with Croatia having the highest value at $13,227. Eastern European countries demonstrate Wave 2 income values that are slightly higher than those of Southern Europe, but not by much. For example, Bulgarian immigrants have an average income of $14,900, while Romanians earn $13,398 on average. Polish and Russian immigrants earn around $10,000 on average, while Slovakian immigrants make a huge leap from Wave 1 making the largest income of all the countries in the sample of $19,000. Slovakians go from being the lowest earning group in Wave 1 to the highest earning group in Wave 2.[25] (Again, note that the low number of Slovakian respondents in the sample may be a reason for such a finding).

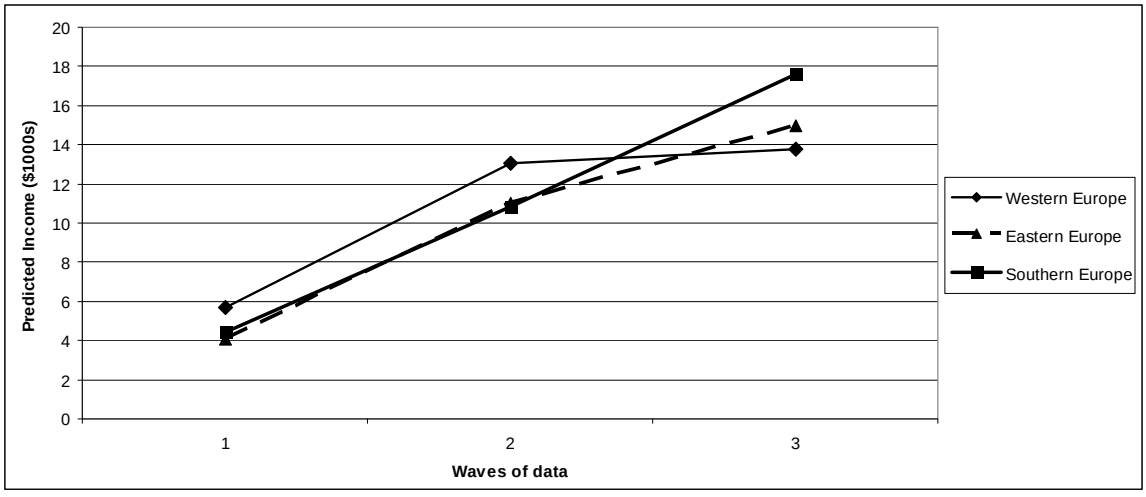
[24] Eastern European immigrants have an average income of $10,999, while Southern Europeans have an average income of $10,860.

[25] All these income values are based on the income over the past 12 months i.e. the 12 months preceding the Wave 2 interview.

Western Europeans maintain the highest regional income in Wave 2 with an average of $13,000. British immigrants have highest income within the group averaging $17,758 in the 12 months preceding the LSIC interview. France and the Netherlands follow with both groups having an average income of a bit over $14,000. German immigrants fall behind in income in Wave 2 with an average of only $9,500.

Wave 3 findings, however, strongly contrast the trend presented by Wave 1 and Wave 2 data. After four years in Canada, Western European immigrants are predicted to earn the least among the three regional groups in the twelve months preceding the Wave 3 interview. They are predicted to earn an average of $13,777, keeping all other variables constant. Eastern Europeans are predicted to earn $14,961 in the same period, while Southern Europeans are predicted to earn the most on average with $17,582. Figure 10 shows the predicted income slopes of the three regions of birth over the first four post-immigration years.

Figure 10 – Predicted Income ($1000s) for Region of Birth over the 3 Waves of Data



Looking once again at individual countries during this period and starting with Western Europe, Dutch immigrants drop from earning just above $14,000 in Wave 2 to earning $10,327 on average in Wave 3. French immigrants also drop from earning $14,000 in Wave 2 to $12,400 in Wave 3. British immigrants also have a drop in earnings from the second highest value of $17,758 in Wave 2 to an average of $14,600 in Wave 3. The drop in overall earnings for Western European immigrants in Wave 3 could be a direct result of their increase in part-time employment that was discussed earlier.

Eastern European countries have a mix of very high and very low earnings. Romania and Slovakia, for example, are on the high side with immigrants earning $21,000 and $19,700 respectively. Both countries have an increase in earnings from Wave 2, with Romania having the bigger jump. On the low side are Russian and the Ukrainian immigrants who have predicted earnings of $9,484 and $8,955 respectively. Here, both countries experience a drop in predicted earnings from Wave 2, with the Ukrainian immigrants having the bigger drop.

Finally, all Southern European nations in the sample display and impressive increase in predicted income values after four years in Canada. Albanians and Bosnians both increase their predicted earnings from a bit over $12,000 in Wave 2 to $17,000 and $16,466, respectively, in Wave 3. Croatian immigrants have an increase in predicted earnings from just over $13,000 in Wave 2 to just under $19,000 in Wave 3, while Yugoslav immigrants have a predicted income of $15,125 after four years in Canada, a

rise in earnings from $13,156 after two years in Canada.[26] This could be an indication of the fact that after Wave 1, Southern Europeans are able to find employment and earn a much better income than what they were receiving as social assistance from the Canadian government upon entry into the country.

One prominent feature of the income variable in LSIC pertaining to personal income both inside and outside Canada is that a considerable portion of respondents report no earnings or very low earnings in each of the three waves of data. Even though this number does decrease with each consecutive wave, Wave 3 still reports that about 13% of the sample claims to have an income of zero. Therefore, two models were created to assess who is more likely to earn no income or almost no income. The first model was designed to analyze who is more likely to earn zero income in each of the three waves of data and who is more likely to earn anything other than zero. The second model was created so as to differentiate between "no income" and "some income." The amount of $100 per month was used as a hypothetical measure, so that earning $100 or less a month was considered "no income," and earning anything above was considered "some income." Table 20 presents the findings for both models.[27]

[26] All income values for Wave 3 are based on the past 12 months i.e. the 12 months preceding the Wave 3 interview.

[27] Findings pertaining to the second model (i.e. $0-$100 vs. other) produced identical results to the model that assessed who is more likely to earn no income versus any income at all. Despite slightly different percentages, the slope patterns were identical between the two models showing that earning $100 a month essentially the same as having no income at all. Therefore, the only findings discussed in the text are those pertaining to Model 1.

Table 20 – Probability of Earning more than $0 and more than $100/month (%) by Region and Country of Birth

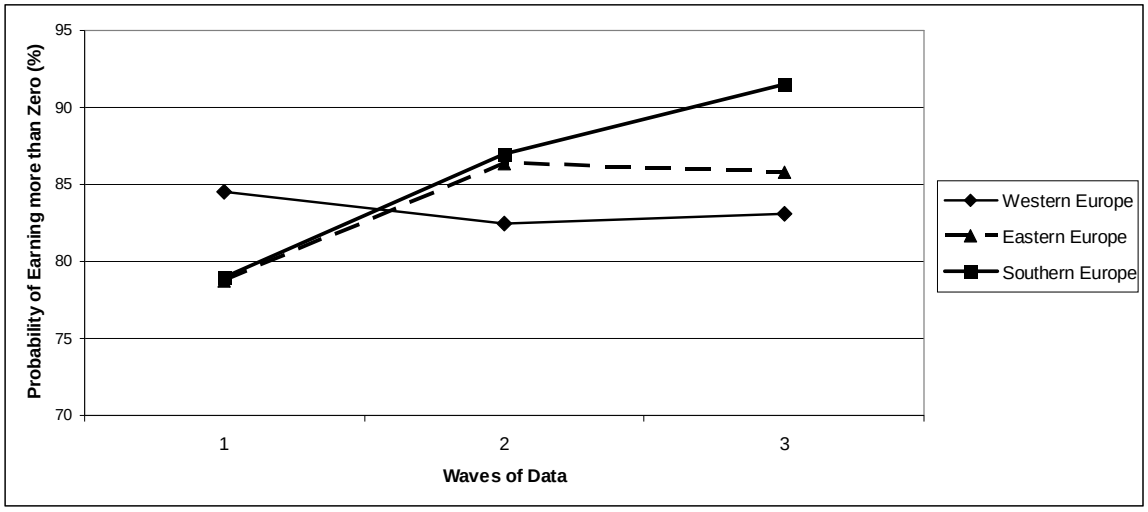
	Model 1 - $0 vs. else				Model 2 - $0-100 vs. else		
Region of Birth	**Wave 1**	**Wave 2**	**Wave 3**		**Wave 1**	**Wave 2**	**Wave 3**
Western Europe	84.5	82.5	83.1		78.6	76.0	80.0
Eastern Europe	78.7	86.3	85.8		75.4	85.3	83.5
Southern Europe	78.9	87.0	91.5		77.1	85.4	90.9
Country of Birth							
France	85.3	82.1	84.6		81.0	77.9	82.0
Germany	90.3	76.0	73.4		86.4	64.1	73.0
Netherlands	85.8	84.6	75.3		79.6	82.6	70.0
Bulgaria	93.7	92.9	90.3		94.0	90.2	89.4
Poland	83.0	87.9	83.8		83.8	88.3	82.8
Romania	83.5	89.5	94.4		81.1	88.9	93.2
Slovakia	85.0	96.6	95.1		56.1	96.3	87.9
Russia	83.0	80.9	75.0		80.3	80.5	71.6
Ukraine	82.7	86.3	73.6		81.4	85.4	70.2
UK	93.3	89.8	85.5		88.0	82.8	84.6
Albania	83.2	88.1	92.8		84.6	89.0	93.2
Bosnia	81.3	84.4	92.2		72.7	84.7	88.5
Croatia	78.0	89.1	92.9		68.1	90.0	91.7
Yugoslavia	86.6	90.7	88.5		83.9	87.5	88.0

Findings show that in the first six months of living in Canada, immigrants from Western Europe have an 84% probability of having an income above zero. This is the highest probability among the three regions. British immigrants, for example, have a 93% probability of earning above zero in the first six months, while German immigrants have a 90% probability of earning above zero. Southern European immigrants have the next highest probability of 79% of earning more than zero in Wave 1. With one exception[28], all individual Southern European countries in the analysis have probabilities above 80%. The Southern European group with the highest probability is Yugoslav immigrants who

[28] The exception is Slovakia, whose immigrants have only a 57% probability of earning above $100 a month in Wave 1.However, Slovakian immigrants do also have an 85% chance of earning anything but zero in the first wave of data.

have an 87% probability of earning anything but zero in the first six months. Finally, Eastern European immigrants have a 79% of earning anything but zero in the first six months, the same as Southern European immigrants. For example, Polish immigrants have an 83% probability of earning anything but zero in the first six months, while Bulgarian immigrants have an even more impressive probability of 94%. This is the highest probability of all the individual countries in the Wave 1 analysis. Figure 11 shows the income slopes pertaining to the three regions of birth.

Figure 11 – The Probability of earning more than $0 (%) by Region of Birth over the 3 Waves of Data



Findings go on to show that after two years in Canada, the probability of earning anything but zero increases for both Eastern and Southern Europeans. Surprisingly, Slovakian immigrants, who had one of the lowest probabilities in Wave 1, have the highest one in Wave 2. They have a 97% probability of earning above zero after two years of living in Canada. Polish immigrants also have an increase in income probability from Wave 1 to Wave 2. They now have a probability of 88% of earning above zero. In

fact, with maybe one or two exceptions[29], all of the individual Eastern and Southern European countries have an increase in probability of earning above zero after two post-immigration years.

While Eastern and Southern European immigrants experience an increase in the probability of earning above zero, Western European immigrants experience a slight decrease. Overall, their probability of earning more than zero in Wave 2 falls from 85% in Wave 1 to 82% in Wave 2. All the individual Western European countries in the analysis embody this trend. German immigrants have the largest drop, falling from a 90% probability of earning more than zero in Wave 1 to 76% in Wave 2. Even though it is not as dramatic of a drop as that of German immigrants, all the other Western European countries experience a decline in probability of a few percentage points.

Wave 3 results show that after four years in Canada, Southern European immigrants have the steepest upward slope from Wave 2 to Wave 3 of all the immigrants. They increase their probability of earning more that zero from 87% in Wave 2 to 92% in Wave 3. This trend is demonstrated by countries such as Croatia, Albania and Bosnia, whose immigrants increase their probability of earning more than zero from a percentage that was in the mid 80s in Wave 2, to a probability in the range of 92-93%.

Western European immigrants, as a whole, also have an increase in probability from Wave 2 to Wave 3, although their slope is not as steep as that of the Southern

[29] Russia has a slight decrease in probability of earning above $100 a month from 82% in Wave 1 to 80% in Wave 2. Also Bulgarian immigrants have a negligible decrease in probability of earning above zero from 94% in Wave 1 to 93% in Wave 2.

European immigrants. Western Europeans increase their probability of earning more than zero from 82% in Wave 2 to 83% in Wave 3. Data from the individual countries in the analysis, however, shows a mix of results in terms of increases and decreases in probabilities of earning more than zero after four years of living in Canada. For example, Dutch immigrants have a drop in probability of earning more than zero from 86% in Wave 2 to 75% in Wave 3. On the other hand, French immigrants have an increase in the probability of earning more than zero from 82% in Wave 2 to 86% in Wave 3. British immigrants experience a decrease in the probability of earning more than zero from 90% in Wave 2 to 86% in Wave 3.

Finally, Eastern European immigrants have a slight downward slope from Wave 2 to Wave 3 in terms of earnings. There is a slight decrease in the probability of earning above zero from 86% in Wave 2 to 85% in Wave 3. Russian immigrants have a drop in probability from 81% in Wave 2 to 75% in Wave 3 in terms of earning above zero dollars. Polish immigrants also have a slight drop in the probability of earning above zero from 88% in Wave 2 to 84% in Wave 3. All the other individual Eastern European countries also have a decline in the probability of earning more than zero with the exception of Romania. Romanian immigrants actually have an increase in probability of earning more than zero from 90% in Wave 2 to 94% in Wave 3.

In summary of the income findings, Western Europeans once again have a better performance than Eastern and Southern Europeans during the first six post-immigration months. After this initial immigrant period, however, the slope patterns pertaining to

income begin to look a lot like the ones observed in relation to employment probability and full-time employment probability. Eastern and Southern European immigrants have steeper income slopes in relation to Western Europeans, especially from the period of two to four post-immigration years. During that same period, Western Europeans have a sharp decrease in the steepness of their income slope, indicating a decline in the rate of improvement of their economic performance after about the two-year mark. Therefore, while the economic performance of Western Europeans seems to reach a plateau in terms of earnings after about two years just like it did in terms of employment probability as was seen earlier, that of Eastern and Southern Europeans continues to improve throughout the first four post-immigration years. As was mentioned earlier, this could be connected to the fact that Western Europeans, as a whole, have an abrupt increase in the number of people getting into part-time employment starting around the two-year mark. Since part-time employment does not allow for as high of an income as full-time employment does, the increase in the number of people working part-time drives the income average of the entire group down. On the other hand, more Southern Europeans enter the labour market by Wave 2, while the majority of Eastern Europeans enter language and job training upon entry to Canada so that by Wave 2, they are able to perform at a much higher level in the labour market than they did in Wave 1.

Individual countries in the analysis display some of the same income patterns as the broader regions they belong to do. All Western European countries in the analysis portray the same income pattern over the first four post-immigration years. They have a considerable increase in income from Wave 1 to Wave 2 followed by a slight decrease in

income in Wave 3. This time, Southern Europeans have a slightly steeper income slope than Eastern Europeans. Immigrants from Croatia, Albania and Yugoslavia, for example, have larger increases in income from Wave 2 to Wave 3 than most of the Eastern Europeans. One Eastern European group that clearly stands out is Romanian immigrants who are expected to earn just over $21,000 in Wave 3 (i.e. in the 12 months prior to the Wave 3 interview), the highest earnings of all the immigrants in the analysis regardless of region of birth. One fact about Romanian immigrants that could be a factor in their impressive economic performance is that they have the single largest portion of immigrants of any country taking language and job training courses upon arrival to Canada. Therefore, while their income in Wave 1 is average during the time that they are busy attending classes, the education clearly pays off in Waves 2 and 3 as their income rapidly increases.

Chapter 4: Summary and Discussion

The main purpose of this analysis was to demonstrate that there are considerable variations in economic performance within the recent European immigrant population, variations that are not only regional in nature, but country-specific as well. The overall observations in this study have supported this, showing that broad categorizations in relation to the labour market performance of European immigrants to Canada are unwarranted. This investigation has uncovered many interesting findings, some of which were expected and some that were surprising. The major findings will now be summarized and discussed.

In the course of this analysis, four independent variables were singled out as being of considerable importance in one's entry and performance in the labour market. These are: immigrant category, home language, education and gender.

Immigrant Category

Findings showed that those who were principal applicants during the immigration process regardless of immigrant class had higher earnings during the first six post-immigration months than those who came in as spouses or dependents. Immigrants who came in as skilled workers and provincial nominees under the principal applicant category had the highest earnings of all immigrants in Wave 1. Business immigrants who were principal applicants had higher earnings than those who came in as spouses or dependents under the same immigrant class.

Over time, however, this was no longer the case. After four post-immigration years, immigrants who had entered Canada as business immigrants under the spouse or dependent category had the highest earnings of all followed closely by those who came as skilled workers and provincial nominees also under the spouse or dependent category. After further investigation, it was uncovered that the vast majority of immigrants who come in as spouses and dependents are women whose husbands are principal applicants in the immigration process. It was also uncovered that these women worked in their country of birth and had every intention of entering the Canadian labour market as well. They are well educated and have respectable credentials but could have applied under the spouse or dependent category because it might have been easier for them to be accepted into Canada with their husband as the principal applicant, since he could have had slightly better credentials. In Wave 1, these women report their main activity as taking care of the household and going to school, but they may also be involved in some part-time employment which does not allow for a very high income.

Upon entry into the country, therefore, it is likely that the men are able to enter the labour force faster, while women may stay behind temporarily to take care of the household and upgrade their own credentials. Over time, however, the women also enter the labour force and having the necessary skills (and perhaps having acquired some Canadian work experience by doing part-time work), they are able to perform very well, so that the fact that they had entered the country as spouses or dependents makes little difference in terms of labour market performance after four post-immigration years. They clearly have the skills and the education necessary for the job market; it only takes them a

bit longer to get started either because they either wait for their husband to get established first or because they need to take care of the household for a while.

Findings therefore demonstrate that it was more important whether or not one was in an economic category e.g. skilled worker, business immigrant or provincial nominee, than whether one was a principal applicant or not in the immigrant application process. This suggests that it is more important that an immigrant possesses the skills, work experience, education and proficiency in English or French necessary to adapt to the Canadian labour market, rather than the status one assumes in the immigration application process.

Home Language

Findings in relation to the importance of home language in the labour market coincide with previous research on the subject. Looking at European immigrants, as a whole, language matters, and those who speak at least one of the Canadian official languages at home have a generally greater probability of employment and have generally higher earnings throughout the first four post-immigration years than those who are not proficient. As was shown, both the income and the employment probability slopes are steeper for those immigrants who speak English or French at home than for those who do not, meaning that those who do speak English or French at home improve their economic performance at a much faster rate over the first four post-immigration years than those who do not speak it at home.

It is not surprising that those who are proficient in an official language would be more successful in the local labour market than those who are not since the former could have more efficient communication with supervisors, peers and customers. Also, language proficiency allows immigrants to explore the local labour market better in terms of employment opportunities and find work that is best suited to their skills. The knowledge of a local language means that a much wider spectrum of jobs is available for a worker, and not just the minimally paid, and frequently manual ones, where communication is not as important as physical labour.

There was a surprising finding, however. Among Southern European immigrants, those who did not speak English or French at home had consistently higher incomes as well as higher employment probabilities than those who did speak an official language at home. This was also true for Eastern Europeans who had a higher employment probability in Wave 1 if they did not speak an official language at home. There was also an almost identical predicted income reported in Wave 2 between Eastern Europeans who did speak English or French at home and those who did not. While these findings do not necessarily refute the hypothesis that home language is important in the Canadian labour market, they do point to the fact that language proficiency can be determined in more ways than one. A further investigation into the data shows that about 50% of Eastern Europeans and 22% of Southern Europeans who do not speak English or French at home, speak English at work in Wave 1. By Wave 3, these numbers increase dramatically to 69% for Eastern Europeans and 90% for Southern Europeans. Moreover, when asked in their Wave 1 interview how well they think they speak English, 60% of Eastern

Europeans, 32% of Southern Europeans and 82% of Western Europeans said they can speak it well or very well. By Wave 3, 79% of Eastern Europeans, 59% of Southern Europeans and 84% of Western Europeans said they can speak English well or very well. These figures suggest that despite the fact that immigrants may not speak an official Canadian language at home, they could still be quite proficient in it and use it only outside the home and in the labour market.

Education

Findings suggest that the level of education as well as the place where it was attained are both important in terms of economic performance once in Canada. It was expected that Western Europeans would have higher earnings at all education levels because of an easier transfer of academic credentials, and this did prove true in most cases in Wave 1. The higher earnings were most evident at the highest levels of education (i.e. Master's and higher), where Western European immigrants earned considerably more than Eastern and Southern Europeans during the first six post-immigration months.

After four post-immigration years, however, the picture is not the same. Other than in the three highest education categories, Western Europeans earn less than both Eastern and Southern European immigrants at all education levels. The only level at which they still clearly have higher earnings is at the highest level of education (degree in medicine/law, doctorate). At the Bachelor's and Master's levels, the earnings are very close among the three regions. These findings suggest that it is not that an Eastern or Southern European education is valued less than that of Western Europe, but that it simply takes longer to get it accredited. The non-acceptance of foreign qualifications was

a common reason Eastern and Southern Europeans stated for not being able to find employment during the first six months in Canada. After four post-immigration years, however, this is no longer a major barrier and the vast majority of those wishing to find employment report having no difficulty in doing so.[30]

Gender

It was expected that there would be differences in economic performance between male and female immigrants, and there was evidence to support this. Women had consistently lower incomes and lower probabilities of employment than men regardless of other variables over the entire first four post-immigration years. Men had a greater probability of working full-time than women over the entire four years. While both genders had the same probability of working part-time in Wave 1, there is a large divergence in Wave 3 as men greatly decrease their involvement in part-time work while women increase theirs. Moreover, women continue to have a larger proportion of those not working over the three waves of data. As more women do not work or work part-time, the income gap between them and their male counterparts gets much larger by Wave 2, and even though it narrows slightly in Wave 3, there is no real evidence that the income between the two genders would converge at any point soon, if ever.

The analysis was not able to assess the differences between the genders across regions and countries of birth for a much more in depth understanding of male and female labour market performance due to a null finding. Since the interaction between

[30] As a note, the vast majority of those whose work experience was readily accredited throughout the first four post-immigration years were professionals and skilled workers in the fields of business, commerce, engineering, agricultural sciences and math and physical sciences – occupational fields that are conceptually more easily transferred to the Canadian market.

gender and region of birth was not found to have a significant effect on labour market performance, it is not possible to support or refute the hypotheses set out in the introduction relating to this issue (i.e. hypotheses #3-#6).

Labour Market Performance of "European" Immigrants

While the above independent variables were an important part of the overall analysis, the main focus was on region and country of birth and its relationship to the economic performance of recent European immigrants in the Canadian labour market. Economic performance in this project was measured by looking at the probability one has of finding employment, the nature of that employment is (i.e. full-time, part-time) as well as the earnings one has over the first four post-immigration years. As might have been expected, findings show that during the first six months in Canada, Western European immigrants have a much better overall economic performance than Eastern and Southern Europeans. First, they have the highest earnings. Next, not only do Western European immigrants have the highest probability of being employed in Wave 1, they also have the highest probability of being involved in full-time employment. Moreover, they have the lowest probability of doing part-time work as well as not working. These findings indicate that Western European immigrants enter Canada being able to integrate very effectively into the labour market. The difference between the performance of Eastern and Southern European immigrants is negligible in Wave 1. The two groups of immigrants have very similar figures in all aspects of economic performance. They have an almost identical income level as well as an only 1% difference in employment probability during the first six post-immigration months. Therefore, in Wave 1, the

difference in performance in the labour market could be analyzed as a difference between Western European immigrants and non-Western European immigrants.

Of the individual countries in the analysis, French immigrants stand out as the best performing group in Wave 1. They have, by far, the highest probability of employment as well as the highest probability of working full-time of all immigrant groups in the analysis. British immigrants are right behind the French in terms of the probability of working in Wave 1 as well as working full-time. Even though the highest incomes in Wave 1 are posted by German and Dutch immigrants the British and French were not far behind. Overall, the individual country analysis supported the general finding that Western European immigrants had the best economic performance in Wave 1.

By Wave 3, however, the patterns of economic performance look a lot different from Wave 1. Despite initially high performance scores both in terms of earnings and in terms of employment, Western European immigrants do not seem to improve much on them after the first two post-immigration years. After four post-immigration years, Western Europeans have the lowest income level of all European immigrants. This is consistent with earlier findings that, in Wave 3, they not only have the lowest probabilities of employment, they also have the lowest probability of working full-time. Moreover, the probability of part-time employment increases sharply. These are all factors that can drive earnings down.

In terms of employment, Eastern Europeans emerge as the group with not only the highest probability of employment but also with the highest probability of working full-time after four post-immigration years. Southern Europeans are in a very close second, while Western Europeans fall behind. In terms of income, Southern Europeans pull ahead of Eastern European immigrants as the group with the highest earnings after four years in Canada, while Western Europeans are, once again, in last place.

Looking at the slope patterns, it is evident that while Western European immigrants start off with very high performance numbers during the first six post-immigration months, their economic performance slopes are not as upwardly steep as those of Southern and Eastern European immigrants. This is clearly evident in Figures 6, 7 and 10. Even though the slope pertaining to Western European immigrants is quite steep from Wave 1 to Wave 2, the steepness decreases dramatically from Wave 2 to Wave 3, creating an almost "levelling-off effect." For example, Western Europeans "level off" in employment probability after two post-immigration years, despite having the highest chances of employment in Wave 1. Meanwhile, the slope pertaining to Eastern and Southern European immigrants remains very steep over the entire four-year period, overtaking that of Western European immigrants. The steepest slopes belong to Albanian, Romanian and Polish immigrants. In fact, Polish immigrants end up with the highest employment probability after four post-immigration years. While Western Europeans have the greatest probability of being employed in Wave 1, they only improve on that performance by 25.9%[31] over the first four post-immigration years. On the other

[31] From Table 1: 80.2% probability of employment in Wave 3 minus 54.3% probability of employment in Wave 1.

hand, Eastern Europeans improve their performance by 41.1% and Southern Europeans improve theirs by 36.3%. The greater increases in employment probability among Eastern and Southern European immigrants mean that they have steeper upward slopes than Western European immigrants (i.e. a greater rate of improvement over the same period of time). Therefore, despite the lower starting points, Eastern and Southern European immigrants not only catch up to Western European ones in terms of employment probability, but they also overtake them, with Eastern European immigrants having the steepest upward slope of the three regions. The picture is identical in terms of full-time employment (Figure 7).

Finally, in relation to income, Southern Europeans have the steepest upward slope, improving on their Wave 1 predicted income of $4,400 by over $13,000 (expected income in Wave 3 is $17,500). Eastern Europeans also have an impressive jump in predicted income from $4,000 in Wave 1 to almost $15,000 in Wave 3 (improvement of almost $11,000). Finally, Western Europeans have the smallest increase in predicted earnings from $5,700 in Wave 1 to $13,777 in Wave 3, resulting in the shallowest slope among the three regions. The steepest upward income slope from Wave 2 to Wave 3 pertains to Romanian immigrants who have the highest income after four post-immigration years of all the European immigrants. In terms of highest earnings, Romanians are followed closely by Slovakians who are, in turn, followed by all Southern European immigrants. British immigrants are the highest earning Western European group in Wave 3 but find themselves in eighth place overall among all European immigrants.

These findings therefore validate two hypotheses set out in the introductory chapter.

<u>Hypothesis #1</u> - Immigrants from Western European countries such as France and the UK are expected to not only have the highest initial earnings and employment probabilities of all European immigrant groups, but to also have the shallowest slopes because they are most likely to integrate immediately into the Canadian social and economic fabric.

It is, in fact, true that Western Europeans have some of the shallowest, or the shallowest, slopes with regards to economic performance in the Canadian labour market over the first four post-immigration years. This is likely due to the fact that Western Europeans have the luxury of adapting easily to the Canadian lifestyle and labour market because of a lack of language barrier as well as a similar educational and labour market structure to that they have in their countries of birth. They are likely to be able to enter Canada and establish a high economic standard right from the start, leaving them little room to make significant improvements after that.

<u>Hypothesis #2</u> - The income and employment slopes of immigrants from Eastern and Southern European countries are expected to be much steeper than those pertaining to Western European immigrants. While these immigrants have assumingly obtained less human capital before leaving corresponding to a very low starting point in terms of income and employment status in Canada (and in comparison to

Western Europeans), they are expected to have a very steep upward slope, indicating a 'catch-up' effect to Western European immigrants.

Southern and Eastern Europeans, on the other hand, do not necessarily have the experience of what a Canadian, or North American, labour market structure is like and, therefore, require some time before they are able to reach their economic potential. Most Southern Europeans enter Canada as refugees with very low levels of education, while Eastern Europeans struggle to get their foreign credentials accepted. Nevertheless, these two groups of immigrants seem more motivated to succeed in the labour market than Western Europeans. The majority of Eastern Europeans enter language and job training classes upon entry into the country, while Southern Europeans who are on social assistance in Wave 1 find jobs by Wave 2 and begin to earn a respectable income. The result is that Eastern and Southern Europeans have the steepest slopes with regards to both income and employment probability over the course of the first four post-immigration years. They start off low and have a lot of room for improvement which they take full advantage of, in many cases overtaking Western Europeans in earnings and chances of employment by Wave 3. This occurs with a greater familiarity with official languages, attainment of Canadian work experience, as well as due to an overall better understanding of the Canadian labour market and all the options available for an improved economic performance.

Aside from the variation in economic performance among European immigrants based on regional differentiation (i.e. Southern, Eastern and Western Europe), there is also evidence to suggest differences in labour market performance among immigrants within these regions. In other words, there is evidence of country-specific differences. Immigrants from the same region do not all behave in the same way in the Canadian labour market and certain groups do better than others.

Polish and Romanian immigrants tend to do the best economically of all the other immigrant groups in the analysis. While they have average results after six months and after two years in Canada, these immigrants display the best economic performance after four post-immigration years. With Polish immigrants having a slight edge, both groups have the highest employment probabilities, the highest probability of full-time employment, and the lowest probability of not working among all other groups in Wave 3.[32] The only break in the pattern happens when analysing income. Here, Romanians have the highest income in Wave 3, while Polish immigrants drop to the fourth lowest earnings value. One important factor in this performance could be the attainment of a Canadian education. Data shows that of the three regions of birth, Eastern European immigrants have the largest number of people completing education in Canada. The education levels attained span from trade school, to university, all the way to Master's degrees. It should also be noted that among individual immigrant nations, Romanians have the greatest number of people completing education in Canada, which may be a

[32] There are only 16 Poles in the analysis. Therefore, the results associated with this immigrant group should be read with caution as the small N may make them somewhat insignificant.

reason for some of their success in the Canadian labour market over the first four post-immigration years.

Challenging the Poles on the income scale are, quite surprisingly, Slovaks. These immigrants are in last place in terms of income after six months in Canada. After this, they sky rocket to first place in Wave 2, and settle as the second-highest earning immigrant group after four post-immigration years just behind the Romanians.[33] Another surprising performance comes from the Albanians. Despite low earnings in Wave 1, this group works its way up to the fourth highest position in terms of income by Wave 3.

The one Western European nationality which displays consistently impressive results in economic performance in relation to all other Western European groups in the analysis over the first four post-immigration years are the French. Over the first four post-immigration years, French immigrants not only have the highest probability of employment, but also the highest probabilities of working full-time among the Western Europeans. A probable explanation for this performance is that the vast majority of French immigrants settle in Quebec where the social and economic structure is likely to resemble that of France. Hence, the similarities in culture, language and the labour market structure between the two regions make it easier for the new immigrants to adjust to the new surrounding. Taking this fact into consideration, the high level of economic performance among the French immigrants is not that surprising and is, actually, to be expected.

[33] The low number of Slovaks in the analysis (19) could be a reason for such a result.

While French immigrants stand out in the analysis as a group that performs very well economically in Canada over the first few post-immigration years, the British linger in the shadows of many other immigrants groups who outperform them. This was an unexpected finding. For the same reasons that French immigrants were expected to perform well immigrating to the French region of Canada, British immigrants were expected to perform well coming into the English speaking region of Canada. This, however, did not prove to be the case. The analysis showed that, in fact, British immigrants have very mediocre performance levels in the Canadian labour market. Upon entry to Canada, the British performance stands out. However, by Wave 3, there is a large number of people, mainly women, involved in part-time work and this is the likely reason for the drop in overall earnings and a "levelling-off" in terms of overall economic performance.

Finally, there should be mention of Bosnian and Croatian immigrants. These groups start at the bottom of the economic scale in Wave 1 both in terms of income and in terms of employment and only manage to work their way up marginally over the first four post-immigration years. When one considers the larger picture, however, these results make sense. In 2000 and 2001 when the first wave of LSIC was conducted, there were ethnic wars going on in the former Yugoslavia region and a lot of people escaped the area as refugees. One of the countries they settled in was Canada. LSIC data shows that over 80% of Bosnians and Croatians who immigrated to Canada did so as refugees. These people came from poor areas with limited resources and very low levels of education (less than high school), relying on the Canadian government for help. Despite

an expectedly unfortunate economic performance upon arrival to Canada, however, both Bosnians and Croatians put up respectable performances by Wave 3, especially in terms of earnings.

Conclusion

This analysis has justified questioning a large category such as Europe in order to uncover some variations that exist among its component parts. Europe has been one area that has been greatly homogenized in previous literature. Hopefully, this research has opened some doors to seeing that Europe is a very heterogeneous entity with many differences in the way its immigrants perform in the Canadian labour market, and that generalizing on the basis of the whole does not produce an accurate depiction of the European immigrant experience in Canada.

With a recent onslaught of immigrants from non traditional source areas such as Asia and Africa, an investigation of European immigrants seems to have taken a bit of a back seat. This research, however, has shown that immigrants from Europe also continue to arrive en masse and with no indication that European immigration to Canada will slow down, there is a need for a more nuanced understanding of the differences among these immigrants and the way they integrate into the Canadian labour market, and prosper as new citizens.

With that said, there are a few limitations to this research. First, an in-depth country analysis was difficult to construct because of low numbers of respondents. This

was especially true in the case of interactions where the regional variable had to be used. It would have been interesting to be able to extract more information about individual countries and how immigrants within and among regions compare, but it was simply not possible a lot of the time.

Next, while there was discussion of whether immigrants were involved in full-time or part-time employment, there was no talk of the type of occupation immigrants get into once they arrive in the country and over the first four post-immigration years. Therefore, while it seems commendable that a Southern European immigrant, for example, is able to find full-time employment upon arrival to Canada, it is unknown what kind of work that is or of what status it is. It is possible that a highly qualified immigrant has to settle for a low-paying full-time job that he or she is overqualified for until the foreign credentials get accepted or until he or she has acquired some Canadian job experience. Therefore, the job might just be something that an immigrant has to take in order to start making a living and is not necessarily a sign of prosperity in the labour market. While it would have been interesting to compare the occupation one did in his or her country of birth to the occupation one holds once in Canada, that is a project on its own and may be something that is pursued in the future.

Finally, while it was expected that the performance of recent European immigrants would further be differentiated by taking gender into account, that investigation did not prove very fruitful. The only observations that could be made were based on looking the entire European immigrant population and seeing how men and

women differ in their economic performance. A further breakdown by region or country was not possible. An investigation of how men and women from the different European regions or countries fare in the Canadian labour market is also something that should be addressed in a future project as it is an important discussion that will explore even more nuanced realities of recent European immigrants in the Canadian labour market.

As European immigrants continue to enter Canada, there is a constant need for research to assess their integration into the Canadian labour market as well as into the general social structure. This is not only to make sure that the Canadian economic goals are being met, but to also keep evolving the Canadian immigration system so it is better equipped to receive a vast variety of people from a vast variety of backgrounds and to allow them to integrate efficiently into the economic sphere so they can not only work towards their own personal goals and aspirations in a new country, but to also work towards the goals of the country itself. After all, they were chosen as people with the necessary skills and credentials that Canada wants and needs in the first place. The best way to work towards these goals, however, is to continue to question the large categorizations that have plagued the majority of the literature and understandings of Canadian immigrants. With the large numbers of immigrants presently coming from Asia and Africa, future research needs to keep breaking down these broad categories and delve into the more specific realities of immigrants both in terms of the places they come from and in the performances they have in the Canadian labour market because that is the only way to truly understand the impact immigrants continue to have on this country and its future.

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Appendix A: Sample Sizes

		Number of Respondents (sample size)
Region of Birth	Western Europe	348
	Eastern Europe	557
	Southern Europe	333
Country of Birth	France	110
	Germany	37
	Netherlands	32
	Bulgaria	32
	Poland	16
	Romania	228
	Slovakia	19
	Russia	126
	Ukraine	93
	UK	141
	Albania	44
	Bosnia	123
	Croatia	56
	Yugoslavia	91

Appendix B: Model Coefficients

Table A1 – Model Estimating the Predicted Income in Each of the 3 Waves of Data: All respondents included

Independent Variable		Wave 1		Wave 2		Wave 3	
		Coef.	St. Err.	Coef.	St. Err.	Coef.	St. Err.
Region of birth	**Western Europe**	**ref**		**ref**		**ref**	
	Eastern Europe	-0.3415*	0.1393	-0.1729	0.1752	0.0824	0.1672
	Southern Europe	-0.253	0.1714	-0.1853	0.2041	0.2439	0.2019
Country of birth	**France**	**ref**		**ref**		**ref**	
	Germany	0.1947	0.2567	-0.3876	0.3796	-0.4071	0.3449
	Netherlands	0.2243	0.3374	-0.0241	0.3880	-0.1835	0.4322
	Bulgaria	-0.0738	0.2371	0.0044	0.3169	0.2889	0.3257
	Poland	0.0999	0.4055	-0.3728	0.3816	-0.1992	0.4150
	Romania	-0.3392	0.2075	-0.1001	0.2263	0.5291**	0.2573
	Slovakia	-0.6817*	0.3123	0.2612	0.3398	0.4631	0.3639
	Russia	-0.2315	0.2280	-0.3787	0.2644	-0.2687	0.2914
	Ukraine	-0.2612	0.2381	-0.2061	0.2746	-0.3261	0.3048
	UK	0.1401	0.1882	0.2159	0.2175	0.1634	0.2041
	Albania	-0.2360	0.2824	-0.2120	0.2971	0.3173	0.3244
	Bosnia	-0.4039	0.2802	-0.1902	0.3708	0.2830	0.3843
	Croatia	-0.4659	0.2923	-0.1477	0.3650	0.4216	0.4194
	Yugoslavia	-0.1395	0.2681	-0.1315	0.3010	0.1980	0.3314
Age		-0.0152**	0.0055	-0.0234***	0.0062	-0.0201**	0.0069
Gender	**Male**	**ref**		**ref**		**ref**	
	Female	-0.5173***	0.0865	-0.8219***	0.1019	-0.6557***	0.1086
Marital Status	**Married**	**ref**		**ref**		**ref**	
	Common-law	-0.0098	0.2204	-0.2989	0.2518	0.1076	0.194
	Separated/divorced/widowed	0.2657	0.2178	0.5745***	0.1637	0.5113**	0.1627
	Single	0.2701	0.192	-0.053	0.2032	0.2372	0.2328
Immigration Category (1)	**Principal Applicant**	**ref**		**ref**		**ref**	
	Spouse/Dependent	-0.1774	0.1555	-0.309	0.2159	-0.5638*	0.2283
Immigration Category (2)	**Family Class (PA)**	**ref**		**ref**		**ref**	

	Family class (PA+S)	-0.3119	0.2919	-0.2929	0.3242	-0.4624	0.3312
	Skilled workers (PA) & provincial nominees (PA)	0.4852*	0.2	0.5776**	0.2154	0.3993*	0.1965
	Skilled workers (S+D) & provincial nominees (S+D)	0.2486	0.2494	0.4937	0.3083	0.5611	0.2996
	Business immigrants (PA)	0.3161	0.2698	0.3201	0.3077	0.5522*	0.2699
	Business immigrants (S+D)	0.1709	0.3391	0.1154	0.4108	0.6108	0.3851
	Refugees	0.3508	0.2575	-0.0562	0.2841	-0.1218	0.2741
Province	**Quebec**	**ref**		**ref**		**ref**	
	Ontario	0.1789	0.1023	0.3177**	0.1194	0.1198	0.1204
	Alberta	0.2860*	0.1173	0.4738***	0.1324	0.2880*	0.1353
	BC	0.1116	0.1354	0.2142	0.1631	-0.0003	0.1719
	Other	0.2308	0.1762	0.3911*	0.1966	-0.1205	0.2447
Education	**No formal/some elementary/some high school**	**ref**		**ref**		**ref**	
	High school	-0.5042*	0.203	0.1458	0.3003	-0.1269	0.294
	Trade school/some college	-0.8443**	0.2631	0.1113	0.3836	-0.2060	0.3915
	College	-0.8385**	0.2684	-0.0399	0.3936	-0.4233	0.3838
	Some university	-1.1328***	0.2705	-0.0634	0.4118	-0.3409	0.4246
	Bachelor's degree	-0.8668**	0.267	0.2431	0.3917	-0.0486	0.3941
	Master's degree	-0.9864***	0.2723	0.0852	0.3968	-0.1667	0.3967
	Degree in medicine/law/doctorate	-0.6030*	0.3014	0.4212	0.4295	-0.3953	0.447
Language	**Home language is English or French**	**ref**		**ref**		**ref**	
	Home language is not English or French	-0.2495	0.1298	-0.3676*	0.1605	-0.6978***	0.1543
Field of Study	**Education, fine/applied arts, social sciences and humanities**	**ref**		**ref**		**ref**	
	Commerce, management and business administration	0.1189	0.1081	0.2316	0.123	0.2942*	0.119
	Agricultural/math/physical/applied sciences, engineering	0.2541**	0.0915	0.1201	0.1137	0.0603	0.1201
	Health professions, sciences and technologies	-0.2044	0.2248	-0.1463	0.2665	0.1791	0.2634
	Those who did not receive an educ higher than high school	-0.2675	0.181	0.1553	0.2584	0.1658	0.2464
Occupation	**Managers**	**ref**		**ref**		**ref**	
	Professionals	0.0971	0.1353	-0.065	0.1594	0.2929	0.1505
	Trade occupations/skilled occupations in transport/agriculture	0.0927	0.1464	-0.0966	0.1763	0.0289	0.1722
	Supervisors	0.2712	0.213	-0.189	0.2276	0.1204	0.2384
	Clerical	0.0397	0.1687	0.0372	0.2064	0.0773	0.2093
	Sales/service	0.1137	0.1707	-0.2762	0.1992	-0.2623	0.2042

	Manual	0.0332	0.1724	-0.1026	0.2326	0.0609	0.2285
	Other	-0.1101	0.1815	-0.3098	0.2453	-0.1072	0.2697
Immigrating Structure	**Two adults or more with children**	**ref**		**ref**		**ref**	
	Two adults or more without children	0.2554**	0.086	0.1274	0.1037	0.0124	0.1069
	One adult with children	0.192	0.2434	0.0252	0.3332	-0.1026	0.292
	One adult only	0.0722	0.1683	0.0617	0.1615	-0.1344	0.1448
Canadian Education	**No formal/some high school/high school**					**ref**	
	Trade school/some college					0.0075	0.1838
	College/some university					-0.4046*	0.1911
	Bachelor's degree					-0.0664	0.2748
	Master's degree					-0.4888	0.2627
	Degree in medicine/law/doctorate/other					0.1495	0.3484
	Those who did not take educ or training in CDA					-0.063	0.1374
CONSTANT		2.8849***	0.4356	3.4273***	0.5552	4.0892***	0.57
R-SQUARED		0.2475		0.258		0.2449	

Notes:
Total number of respondents was 1238 for each wave of data.
* denotes significance at p<0.05; ** denotes significance at p<0.01; *** denotes significance at p<0.001

Table A2 - Model Estimating the Predicted Income: All respondents who reported an income of zero are excluded

Independent Variable		Wave 1		Wave 2		Wave 3	
		Coef.	St. Err.	Coef.	St. Err.	Coef.	St. Err.
Region of birth	**Western Europe**	**ref**		**ref**		**ref**	
	Eastern Europe	-0.3176*	0.1441	-0.3190*	0.1405	0.0578	0.1122
	Southern Europe	-0.2231	0.1825	-0.3965*	0.1622	-0.0184	0.1399
Country of birth	**France**	**ref**		**ref**		**ref**	
	Germany	0.2646	0.3404	-0.2610	0.4033	-0.1485	0.2960
	Netherlands	0.1203	0.7272	0.0884	0.2666	0.2404	0.3371
	Bulgaria	-0.2421	0.3280	-0.3351	0.2541	0.2332	0.2094
	Poland	0.5570	0.4054	-0.4439	0.2663	0.0931	0.2252
	Romania	-0.3039	0.2971	-0.2589	0.1830	0.3367*	0.1601
	Slovakia	-2.4140*	1.0261	-0.2750	0.2972	0.1107	0.3792
	Russia	-0.0616	0.3279	-0.2012	0.2055	0.0950	0.2184
	Ukraine	-0.0873	0.3199	-0.3308	0.2140	-0.0231	0.2222
	UK	-0.1809	0.2418	0.0454	0.1947	0.1778	0.1536
	Albania	0.0434	0.3573	-0.3882	0.2384	0.1857	0.2158
	Bosnia	-0.3748	0.4247	-0.0349	0.2791	-0.0181	0.3462
	Croatia	-0.3980	0.4191	-0.2814	0.3280	0.2647	0.3516
	Yugoslavia	-0.0860	0.3804	-0.4072	0.2525	0.2400	0.2309
CONSTANT		2.8426***	0.4420	3.3422***	0.4713	3.6264***	0.3446
R-SQUARED		0.1955		0.2601		0.3198	

Notes:
Other variables included in this model but not shown here are: age, gender, marital status, home language, education, occupation, immigrant category, province of destination, field of study and immigrating unit structure.
The total number of respondents was: 930 in Wave 1; 997 in Wave 2; 1027 in Wave 3.
* denotes significance at $p<0.05$; ** denotes significance at $p<0.01$; *** denotes significance at $p<0.001$

Table B – Model Estimating the Probability of Employment in Each of the 3 Waves of Data

Independent Variable		Wave 1		Wave 2		Wave 3	
		Coef.	St. Err.	Coef.	St. Err.	Coef.	St. Err.
Region of birth	**Western Europe**	**ref**		**ref**		**ref**	
	Eastern Europe	-0.3638	0.2789	-0.3818	0.2929	0.4353	0.3506
	Southern Europe	-0.3273	0.3362	0.0114	0.3842	0.1499	0.4015
Country of birth	**France**	**ref**		**ref**		**ref**	
	Germany	-0.9464	0.5343	-1.7359**	0.5514	-1.6153**	0.5551
	Netherlands	-1.0195	0.6534	-1.0278	0.7326	-1.0654	0.7116
	Bulgaria	-0.6715	0.5693	-0.6837	0.6711	-0.6736	0.6836
	Poland	-1.0646	0.7594	-0.6161	0.7097	0.3187	0.9799
	Romania	-1.0346*	0.4549	-1.3010**	0.4619	0.1689	0.5598
	Slovakia	-0.4145	0.6994	-1.7039*	0.7697	-1.2569	0.8195
	Russia	-0.9763*	0.4914	-1.9270***	0.5068	-1.0817	0.5744
	Ukraine	-1.2763*	0.4999	-1.9035***	0.5084	-0.8190	0.5926
	UK	-0.3895	0.4172	-0.9646*	0.4179	-1.1151*	0.4722
	Albania	-1.3323*	0.5636	-0.9799	0.6851	0.0154	0.8402
	Bosnia	-1.3021	0.6789	-1.2660	0.6866	-1.0961	0.6882
	Croatia	-1.4705	0.7948	-0.8047	0.6893	-1.1837	0.7957
	Yugoslavia	-0.9756	0.5561	-1.2886*	0.5929	-1.4901*	0.6343
Age		-0.0580***	0.0113	-0.0412***	0.0115	-0.0413**	0.0126
Gender	**Male**	**ref**		**ref**		**ref**	
	Female	-0.8913***	0.1772	-0.9428***	0.1918	-1.1368***	0.2121
Marital Status	**Married**	**ref**		**ref**		**ref**	
	Common-law	0.3390	0.5633	-0.4932	0.5176	0.3473	0.5916
	Separated/divorced/widowed	0.4174	0.6169	0.9173*	0.4493	0.6872	0.4717
	Single	-0.3341	0.4674	-0.6630	0.4522	-0.7367	0.4963
Immigration Category (1)	**Principal Applicant**	**ref**		**ref**		**ref**	
	Spouse/Dependent	-1.3762*	0.6952	-0.7495	0.4114	-0.4337	0.4245
Immigration Category (2)	**Family Class (PA)**	**ref**		**ref**		**ref**	
	Family class (PA+S)	0.2094	0.7407	-0.3276	0.5587	-0.4968	0.5759
	Skilled workers (PA) & provincial nominees (PA)	1.2458**	0.4675	1.3257***	0.3761	1.5625***	0.3826
	Skilled workers (S+D) & provincial nominees (S+D)	1.8005*	0.8289	1.7212**	0.5488	1.8194**	0.5414
	Business immigrants (PA)	1.1689	0.6039	0.7092	0.6712	0.9898	0.6722
	Business immigrants (S+D)	1.6131	0.9494	1.4108	0.7343	1.3583	0.7404

	Refugees	-0.6136	0.5896	-0.2588	0.5162	0.3427	0.5036
Province	**Quebec**	**ref**		**ref**		**ref**	
	Ontario	1.2013***	0.2110	1.0669***	0.2083	0.8062***	0.2306
	Alberta	1.4769***	0.2668	1.0127***	0.2695	0.9509**	0.3042
	BC	0.3462	0.2878	0.5668	0.2959	1.0838**	0.3340
	Other	1.5837***	0.4444	1.7289***	0.4837	1.6958**	0.5839
Education	**No formal/some elementary/some high school**	**ref**		**ref**		**ref**	
	High school	0.2261	0.5351	0.3618	0.4810	0.4182	0.4478
	Trade school/some college	-0.1578	0.6698	-0.2052	0.6654	0.4552	0.7218
	College	-0.3480	0.6883	-0.3327	0.6651	-0.3603	0.6958
	Some university	0.4139	0.7596	0.1491	0.7362	-0.3282	0.7504
	Bachelor's degree	-0.4131	0.6827	-0.3071	0.6691	0.0141	0.7133
	Master's degree	-0.3762	0.6911	-0.5573	0.6810	-0.0753	0.7167
	Degree in medicine/law/doctorate	0.0651	0.7358	-0.0850	0.7221	0.0463	0.7694
Language	**Home language is English or French**	**ref**		**ref**		**ref**	
	Home language is not English or French	-0.2592	0.2673	-0.4478	0.2898	-1.0337**	0.3446
Field of Study	**Education, fine/applied arts, social sciences and humanities**	**ref**		**ref**		**ref**	
	Commerce, management and business administration	-0.1495	0.2122	0.1748	0.2474	0.3092	0.2690
	Agricultural/math/physical/applied sciences, engineering	0.1746	0.1995	-0.2566	0.2131	-0.0605	0.2442
	Health professions, sciences and technologies	-0.7324	0.4077	-0.2771	0.4033	0.1626	0.4398
	Those who did not receive an educ higher than high school	-0.2681	0.4431	-0.2605	0.4640	0.2262	0.5631
Occupation	**Managers**	**ref**		**ref**		**ref**	
	Professionals	0.0623	0.2804	-0.4506	0.3043	-0.1649	0.3640
	Trade occupations/skilled occupations in transport/agriculture	0.2487	0.3110	-0.5498	0.3337	-0.4158	0.3911
	Supervisors	0.1617	0.4104	-0.7073	0.4252	-1.0237	0.5363
	Clerical	0.2920	0.3711	-0.2083	0.3932	-0.1787	0.4558
	Sales/service	-0.1603	0.3436	-0.5829	0.3877	-0.5232	0.4177
	Manual	0.6192	0.4998	-0.2233	0.4682	-0.8471	0.5151
	Other	-0.7828	0.4572	-1.1304*	0.4644	-0.8074	0.4997
Immigrating Structure	**Two adults or more with children**	**ref**		**ref**		**ref**	
	Two adults or more without children	0.3198	0.1890	-0.1410	0.1960	-0.5674**	0.2184
	One adult with children	-0.0278	0.5519	0.3536	0.4755	-0.1203	0.5783

	One adult only	0.2786	0.4092	0.1653	0.3357	-0.2208	0.3533
Canadian Education	**No formal/some high school/high school**					**ref**	
	Trade school/some college					-0.6494	0.4171
	College/some university					-0.3993	0.4283
	Bachelor's degree					-0.4904	0.5861
	Master's degree					-1.1092*	0.5312
	Degree in medicine/law/doctorate/other					-0.8619	0.7754
	Those who did not take educ or training in CDA					0.0035	0.3236
CONSTANT		1.6332	0.9857	2.7815**	0.9741	3.0817**	1.0938
R-SQUARED		0.1961		0.1565		0.2072	

Notes:
Total number of respondents was 1238 for each wave of data.
* denotes significance at $p<0.05$; ** denotes significance at $p<0.01$; *** denotes significance at $p<0.001$

Table C1 - Model Estimating the Probability of Earning more than Zero in each of the 3 Waves of Data

Independent Variable		Wave 1		Wave 2		Wave 3	
		Coef.	St. Err.	Coef.	St. Err.	Coef.	St. Err.
Region of birth	**Western Europe**	**ref**		**ref**		**ref**	
	Eastern Europe	-0.3927	0.3101	0.2943	0.3857	0.2089	0.4073
	Southern Europe	-0.3780	0.3713	0.3481	0.4368	0.7893	0.4928
Country of birth	**France**	**ref**		**ref**		**ref**	
	Germany	0.4763	0.6335	-0.3714	0.6364	-0.6860	0.6483
	Netherlands	0.0464	0.6927	0.1777	0.7663	-0.5866	0.8466
	Bulgaria	0.9416	0.7378	1.0556	0.9071	0.5237	0.8831
	Poland	-0.1699	0.8301	0.4568	0.9000	-0.0618	0.9590
	Romania	-0.1351	0.5626	0.6258	0.6427	1.1130	0.7749
	Slovakia	-0.0220	0.7731	1.8157	1.2148	1.2695	1.3192
	Russia	-0.1719	0.5797	-0.0813	0.6539	-0.6025	0.7393
	Ukraine	-0.1912	0.6024	0.3221	0.6929	-0.6763	0.7471
	UK	0.8831	0.4987	0.6522	0.5024	0.0743	0.5425
	Albania	-0.1524	0.6613	0.4841	0.7975	0.8602	0.9413
	Bosnia	-0.2843	0.7590	0.1651	0.7945	0.7632	0.8341
	Croatia	-0.4920	0.8465	0.5738	0.8525	0.8693	0.9798
	Yugoslavia	0.1142	0.6560	0.7543	0.7330	0.3392	0.8041
CONSTANT		4.0838***	1.0568	3.4091**	1.0729	4.2477**	1.2278
R-SQUARED		0.1843		0.1504		0.1325	

Notes:
Other variables included in this model but not shown here are: age, gender, marital status, home language, education, occupation, immigrant category, province of destination, field of study and immigrating unit structure.
Total number of respondents was 1238 in each wave of data.
** denotes significance at $p<0.01$; *** denotes significance at $p<0.001$

Table C2 - Model Estimating the Probability of Earning more than $100/month in each of the 3 Waves of Data

Independent Variable		Wave 1		Wave 2		Wave 3	
		Coef.	St. Err.	Coef.	St. Err.	Coef.	St. Err.
Region of birth	**Western Europe**	**ref**		**ref**		**ref**	
	Eastern Europe	-0.1851	0.2981	0.6099	0.3758	0.2316	0.3846
	Southern Europe	-0.0903	0.3612	0.6154	0.4249	0.9196	0.4733
Country of birth	**France**	**ref**		**ref**		**ref**	
	Germany	0.4007	0.5952	-0.6776	0.6482	-0.4577	0.6237
	Netherlands	-0.0861	0.6799	0.3018	0.7615	-0.6821	0.8131
	Bulgaria	1.3102	0.7482	0.9642	0.8115	0.6630	0.8751
	Poland	0.1927	0.8526	0.7650	0.9256	0.0922	0.9159
	Romania	0.0080	0.5583	0.8254	0.6239	1.1766	0.7231
	Slovakia	-1.2021	0.6996	2.0131	1.2192	0.5910	0.9598
	Russia	-0.0429	0.5885	0.1591	0.6361	-0.4940	0.6872
	Ukraine	0.0279	0.6024	0.5110	0.6698	-0.5556	0.6949
	UK	0.5446	0.4538	0.3138	0.4827	0.2247	0.5251
	Albania	0.2528	0.6566	0.8294	0.7858	1.2023	0.9195
	Bosnia	-0.4674	0.7916	0.4574	0.7696	0.5740	0.8260
	Croatia	-0.6928	0.7842	0.9364	0.8353	0.9346	0.9408
	Yugoslavia	0.2009	0.6573	0.6923	0.7004	0.5155	0.7708
CONSTANT		3.9232***	0.9893	3.0372**	1.0397	3.9064**	1.1649
R-SQUARED		0.1820		0.1595		0.1494	

Notes:
Other variables included in this model but not shown here are: age, gender, marital status, home language, education, occupation, immigrant category, province of destination, field of study and immigrating unit structure.
Total number of respondents was 1238 in each wave of data.
** denotes significance at $p<0.01$; *** denotes significance at $p<0.001$

Table D - Model Estimating the Probability of Working Full-time, Part-time or Not Working

Independent Variable		Wave 1			
		Full-time:	Not Working	Part-time:	Not Working
		Coef.	St. Err.	Coef.	St. Err.
Age		-0.0715***	0.0125	-0.0108	0.0167
Gender	**Male**	**ref**	**ref**	**ref**	**ref**
	Female	-1.0021***	0.1879	-0.4127	0.2996
Region of birth	**Western Europe**	**ref**	**ref**	**ref**	**ref**
	Eastern Europe	-0.4736	0.2976	0.1528	0.4565
	Southern Europe	-0.5499	0.3614	0.5514	0.5406
Country of birth	**France**	**ref**	**ref**	**ref**	**ref**
	Germany	-0.9587	0.5645	-0.8997	1.0384
	Netherlands	-1.0030	0.6943	-0.5040	1.0351
	Bulgaria	-0.9777	0.5955	0.5161	0.8936
	Poland	-0.8662	0.8596	-32.3302***	0.9366
	Romania	-1.2789**	0.4897	0.1100	0.7010
	Slovakia	-0.7325	0.7303	1.0386	1.0391
	Russia	-1.2818*	0.5269	0.3550	0.7721
	Ukraine	-1.4228**	0.5360	-0.4895	0.8644
	UK	-0.6487	0.4367	0.9481	0.7328
	Albania	-1.8173**	0.5981	0.5332	0.8621
	Bosnia	-1.7879*	0.7374	0.3437	0.9912
	Croatia	-1.8144*	0.8436	-0.3809	1.0889
	Yugoslavia	-1.4613*	0.5961	0.6980	0.8666
CONSTANT		1.6970	1.0763	-1.7342	1.3809
R-SQUARED		0.2007			

Independent Variable		Wave 2			
		Full-time:	Not Working	Part-time:	Not Working
		Coef.	St. Err.	Coef.	St. Err.
Age		-0.0518***	0.0122	0.0010	0.0173
Gender	**Male**	**ref**	**ref**	**ref**	**ref**
	Female	-1.1218***	0.1968	0.1009	0.3316

Region of birth	**Western Europe**	**ref**	**ref**	**ref**	**ref**
	Eastern Europe	-0.2987	0.2983	-0.5631	0.4999
	Southern Europe	0.2062	0.3950	-0.9346	0.6152
Country of birth	**France**	**ref**	**ref**	**ref**	**ref**
	Germany	-1.6615**	0.5574	-2.6008**	1.1035
	Netherlands	-1.1888	0.7874	-0.9237	1.0493
	Bulgaria	-0.8343	0.6994	-0.4157	1.0220
	Poland	-0.3974	0.7285	-35.8564***	1.0588
	Romania	-1.2739**	0.4813	-1.6171	0.9140
	Slovakia	-1.5619*	0.7939	-36.4736***	1.0282
	Russia	-2.0163***	0.5370	-1.8088*	0.8992
	Ukraine	-1.8291**	0.5301	-2.7049**	1.0147
	UK	-0.9841*	0.4413	-0.9869	0.6169
	Albania	-0.7769	0.7044	-3.1553*	1.4238
	Bosnia	-1.2635	0.7138	-1.8628	1.1004
	Croatia	-0.9106	0.7505	-1.1519	1.1380
	Yugoslavia	-1.3330*	0.6232	-1.5617	1.0087
CONSTANT		3.5058**	1.0391	-3.7633*	1.5816
R-SQUARED		0.1698			

Independent Variable		**Wave 3**			
		Full-time:	**Not Working**	**Part-time:**	**Not Working**
		Coef.	**St. Err.**	**Coef.**	**St. Err.**
Age		-0.0462***	0.0130	-0.0213	0.0180
Gender	**Male**	**ref**	**ref**	**ref**	**ref**
	Female	-1.3005***	0.2119	0.0301	0.3475
Region of birth	**Western Europe**	**ref**	**ref**	**ref**	**ref**
	Eastern Europe	0.6233	0.3618	-0.2700	0.4993
	Southern Europe	0.3691	0.4134	-0.6941	0.6099
Country of birth	**France**	**ref**	**ref**	**ref**	**ref**
	Germany	-1.6430**	0.5525	-1.7230	0.9219
	Netherlands	-1.1519	0.7450	-0.8803	1.0801
	Bulgaria	-0.6293	0.6924	-1.0746	1.1084
	Poland	0.5229	1.0217	-0.8276	1.5943
	Romania	0.2766	0.5642	-0.4071	0.9798
	Slovakia	-1.0557	0.8197	-42.9625***	1.1597
	Russia	-0.9694	0.5867	-1.7386	0.9679
	Ukraine	-0.7492	0.6027	-1.2593	1.0677

	UK	-1.3023**	0.4860	-0.3231	0.6591
	Albania	0.0628	0.8275	-0.3085	1.2589
	Bosnia	-0.9774	0.7010	-1.8381	1.2763
	Croatia	-1.1526	0.8027	-1.7030	1.3230
	Yugoslavia	-1.2572	0.6484	-2.5929*	1.1104
CONSTANT		3.5400**	1.1415	-1.2804	1.6208
R-SQUARED		0.2088			

Notes:
Other variables included in this model but not shown here are: marital status, home language, education, occupation, immigration category, province of destination, field of study and immigrating unit structure. The total number of respondents in each wave was 1238.
* denotes significance at $p<0.05$; ** denotes significance at $p<0.01$; *** denotes significance at $p<0.001$

Interaction Model A - Coefficients for the Country of birth and Immigrant Category Interaction

Table A1 – Model Estimating the Predicted Income

Independent Variable		Wave 1		Wave 2		Wave 3	
		Coef.	St. Err.	Coef.	St. Err.	Coef.	St. Err.
Age		-0.0142*	0.0055	-0.0223***	0.0062	-0.0188**	0.0068
Gender	Male	**ref**		**ref**		**ref**	
	Female	-0.5098***	0.0877	-0.8106***	0.1022	-0.6455***	0.1079
Western Europe*Immigrant Category[a]		**ref**		**ref**		**ref**	
Eastern Europe*Immigrant Category[a]		0.4509*	0.1926	0.5913*	0.2322	0.6702**	0.2367
Southern Europe*Immigrant Category[a]		0.4380	0.2489	0.4923	0.2965	0.6247*	0.3040
CONSTANT		2.9379***	0.4371	3.4960***	0.5554	4.1781	0.5729
R-SQUARED		0.2522		0.2633		0.2516	

Notes:
Other variables included in this model but not shown here are: marital status, home language, education, occupation, province of destination, field of study and immigrating unit structure.
The total number of respondents in each wave was 1238.
[a]The immigrant category coefficient here refers to the 'spouse or dependent' category ('principal applicant' is used as the reference category).
* denotes significance at $p<0.05$; ** denotes significance at $p<0.01$; *** denotes significance at $p<0.001$

Table A2 – Model Estimating the Probability of Employment

Independent Variable		Wave 1		Wave 2		Wave 3	
		Coef.	**St. Err.**	**Coef.**	**St. Err.**	**Coef.**	**St. Err.**
Age		-0.0688***	0.0098	-0.0634***	0.0094	-0.0706***	0.0104
Gender	Male	**ref**		**ref**		**ref**	
	Female	-0.9749***	0.1734	-1.0686***	0.1866	-1.3056***	0.2061
Western Europe*Immigrant Category[a]		**ref**		**ref**		**ref**	
Eastern Europe*Immigrant Category[a]		0.2021	0.3598	0.2309	0.3906	0.3189	0.4273
Southern Europe*Immigrant Category[a]		0.2304	0.4695	0.5106	0.4684	0.1839	0.4978
CONSTANT		2.8301**	0.8584	4.5341***	0.8538	5.6226***	0.9798
R-SQUARED		0.1736		0.1288		0.1744	

Notes: Same as for Table A1 above.

Interaction Model B - Coefficients for the Country of birth and Home Language Interaction

Table B1 – Model Estimating the Predicted Income

Independent Variable		Wave 1		Wave 2		Wave 3	
		Coef.	St. Err.	Coef.	St. Err.	Coef.	St. Err.
Age		-0.0152**	0.0055	-0.0232***	0.0062	-0.0181**	0.0068
Gender	Male	**ref**		**ref**		**ref**	
	Female	-0.5168***	0.0864	-0.8247***	0.1016	-0.6466***	0.1081
Western Europe*Home Language		**ref**		**ref**		**ref**	
Eastern Europe*Home Language		0.1394	0.2679	0.7461*	0.3308	0.6897*	0.3217
Southern Europe*Home Language		-0.0775	0.5425	1.0239*	0.4907	1.3778**	0.4640
CONSTANT		2.9065***	0.4380	3.4971***	0.5560	3.9086***	0.5462
R-SQUARED		0.2479		0.2644		0.2450	

Notes:
Other variables included in this model but not shown here are: marital status, immigrant category, education, occupation, province of destination, field of study and immigrating unit structure.
The total number of respondents in each wave was 1238.
[a]The home language coefficient here refers to 'not speaking English or French at home' ('speaking English or French at home' is used as the reference category).
* denotes significance at $p<0.05$; ** denotes significance at $p<0.01$; *** denotes significance at $p<0.001$

Table B2 – Model Estimating the Probability of Employment

Independent Variable		Wave 1		Wave 2		Wave 3	
		Coef.	St. Err.	Coef.	St. Err.	Coef.	St. Err.
Age		-0.0576***	0.0113	-0.0408***	0.0117	-0.0360**	0.0126
Gender	Male	**ref**		**ref**		**ref**	
	Female	-0.8972***	0.1777	-0.9371***	0.1929	-1.1460***	0.2144
Western Europe*Home Language		**ref**		**ref**		**ref**	
Eastern Europe*Home Language		1.3816*	0.5329	0.6478	0.5566	1.0097	0.6150
Southern Europe*Home Language		1.2897	0.7359	1.7187	1.0116	-0.7238	1.0228
CONSTANT		1.7070	0.9919	2.8176**	0.9787	2.7843**	1.0365
R-SQUARED		0.2009		0.1591		0.1998	

Notes:
Same as Table B1 above.

Interaction Model C - Coefficients for the Country of birth and Gender Interaction

Table C1 – Model Estimating the Predicted Income

Independent Variable		Wave 1		Wave 2		Wave 3	
		Coef.	St. Err.	Coef.	St. Err.	Coef.	St. Err.
Gender	Male	**ref**		**ref**		**ref**	
	Female	-0.7158***	0.1540	-0.9022***	0.1748	-0.7104***	0.1677
Western Europe*Gender[a]		**ref**		**ref**		**ref**	
Eastern Europe*Gender[a]		0.2882	0.1761	0.1579	0.1979	0.0979	0.2017
Southern Europe*Gender[a]		0.2750	0.2199	-0.0282	0.2547	0.0147	0.2521
CONSTANT		2.9576***	0.4369	3.4470***	0.5514	4.1099***	0.5692
R-SQUARED		0.2502		0.2588		0.2451	

Notes:
Other variables included in this model but not shown here are: age, marital status, immigrant category, education, home language, occupation, province of destination, field of study and immigrating unit structure.
The total number of respondents in each wave was 1238.
[a]The gender coefficient here refers to 'female' ('male' is used as the reference category).
*** denotes significance at $p<0.001$

Table C2 – Model Estimating the Probability of Employment

Independent Variable		Wave 1		Wave 2		Wave 3	
		Coef.	St. Err.	Coef.	St. Err.	Coef.	St. Err.
Gender	Male	**ref**		**ref**		**ref**	
	Female	-0.6578*	0.2815	-0.7959*	0.3168	-0.9585**	0.3552
Western Europe*Gender[a]		**ref**		**ref**		**ref**	
Eastern Europe*Gender[a]		-0.2557	0.3373	-0.1940	0.3723	-0.2273	0.4453
Southern Europe*Gender[a]		-0.6450	0.4818	-0.2395	0.4944	-0.3710	0.5331
CONSTANT		1.5254	0.9935	2.7027**	0.9743	2.6471*	1.0364
R-SQUARED		0.1973		0.1567		0.1973	

Notes:
* denotes significance at $p<0.05$; ** denotes significance at $p<0.01$. Other notes are same as Table 1 above.

Interaction Model D – Coefficients for the model estimating the Predicted Income for the Country of birth and Education Interaction

Independent Variable		Wave 1		Wave 2		Wave 3	
		Coef.	St. Err.	Coef.	St. Err.	Coef.	St. Err.
Age		-0.0140*	0.0055	-0.0221***	0.0062	-0.0160*	0.0068
Gender	Male	**ref**		**ref**		**ref**	
	Female	-0.5271***	0.0860	-0.8186***	0.1014	-0.6613***	0.1095
Eastern Europe*Elementary school/high school		**ref**		**ref**		**ref**	
Eastern Europe*Trade school/some college		-0.1481	0.3741	-0.0309	0.4466	-0.1596	0.4786
Eastern Europe*College		0.1636	0.3655	-0.1061	0.4373	-0.3779	0.4399
Eastern Europe*Some university		-0.2389	0.3895	0.0844	0.5005	0.8333	0.5867
Eastern Europe*Bachelor's degree		-0.0743	0.3239	-0.5369	0.3787	-0.3665	0.3751
Eastern Europe*Master's degree		-0.6542*	0.3275	-0.7036	0.4191	-0.6201	0.3928
Eastern Europe*Doctorate/degree in law/medicine		-1.2881**	0.3799	-0.8452	0.5212	-1.6173**	0.5134
Southern Europe*Elementary school/high school		**ref**		**ref**		**ref**	
Southern Europe*Trade school/some college		0.2874	0.3135	-0.2967	0.3765	0.0447	0.4335
Southern Europe*College		-0.0336	0.3287	0.0675	0.4447	0.6025	0.4415
Southern Europe*Some university		-0.1645	0.3754	-0.8602	0.5425	0.9578	0.6048
Southern Europe*Bachelor's degree		0.1295	0.3375	-0.7797*	0.3687	-0.4733	0.3756
Southern Europe*Master's degree		-0.2034	0.4632	-0.7920	0.4814	-0.2344	0.5010
Southern Europe*Doctorate/degree in law/medicine		-1.5181**	0.4549	-2.1098**	0.6516	-0.7149	0.5341
CONSTANT		2.2680***	0.4112	3.1853***	0.5152	3.7749***	0.5119
R-SQUARED		0.2655		0.2733		0.2660	

Notes: Other variables included in this model but not shown here are: marital status, immigration category, home language, occupation, province of destination, field of study and immigrating unit structure. 'Western Europe' and 'elementary/high school education' are reference categories. The total number of respondents in each wave was 1238.

* denotes significance at $p<0.05$; ** denotes significance at $p<0.01$; *** denotes significance at $p<0.001$