

Summary

The real test of a society's inclusiveness toward newcomers is not only the socio-economic well-being of immigrants in the years following their arrival, but also – and possibly more important – the socio-economic progress of their children in the decades afterward. In this study, Miles Corak examines how Canada has performed in that latter respect. More specifically, he focuses on the education and earnings outcomes of second-generation Canadians and on the relationship between those outcomes and the educational attainment and earnings of their immigrant parents.

Schooling is often seen as an important avenue to greater engagement and participation in society, and as a gateway to successful labour market outcomes. But these positive effects cannot occur, Corak explains, if higher education is the preserve of those born to highly educated parents and, similarly, if having parents with little education predestines their children to low education levels. It is also a problem, he adds, if the most important factor explaining the schooling outcomes of second-generation Canadians is parental earnings.

At the same time, promoting higher educational attainment will not be sufficient if the labour market does not also reward aspiration, energy and talent, as opposed to privilege and pedigree. A scenario in which disadvantage is transmitted across generations – where low income in combination with low education in one generation begets low income and low education in the next – is the most obvious indication of a lack of equal opportunity.

In examining these cross-generational equity concerns, Corak answers five relevant public policy questions: What is the degree of intergenerational education mobility in Canada, and is it different among immigrants and their children? What are the main determinants of educational outcomes for second-generation Canadians? Has the link between parent and child education outcomes strengthened or weakened over time? What is the degree of intergenerational earnings mobility among the children of immigrants? And, finally, how does that earnings mobility compare with the mobility of the population as a whole and with the experience of other countries in this regard?

Overall, the author finds that Canada is a highly mobile society in which the education and earnings outcomes of children are not strongly related to those of their parents. His analysis indicates that:

- Second generation Canadians are generally younger, more educated and do no worse and sometimes better than their counterparts in the labour market.

- the tie between the education outcomes of parents and those of their children is looser among immigrants than among the Canadian-born population, and the education outcomes of second-generation children, particularly those with less-educated parents, are not predetermined by family background;
- the educational attainment of Canadian-born children of immigrants are only weakly related to the earnings of their parents;
- adult earnings are not strongly tied to parental earnings, and this holds true for both immigrants and the population as a whole; moreover, this tie is much weaker in Canada than it is in countries such as the United States, the United Kingdom, France and Germany; and
- the degree of educational mobility for children who grew up during the past two decades is no different than it was for children raised during previous decades.

Corak concludes that, in terms of the education and earnings outcomes of Canadian-born children of immigrants, Canada's performance is encouraging. There are, however, two caveats. First, some immigrant communities, particularly those from Caribbean, West African and Latin American countries, are experiencing low earnings across the generations, even when both parents and children have above-average education – an intergenerational dynamic that should raise a red flag for policy-makers. Corak argues that we need to understand how this situation has come about and whether it is changing among more recent cohorts of immigrants from these countries.

Second, Corak cautions that the intergenerational analyses he undertakes in this paper are inherently backward looking, illustrating the experience of Canadian-born children whose immigrant parents came to this country before 1980, who attended primary and secondary school in the late 1970s and early 1980s, went to university in the 1980s and worked in the labour market of the 1990s. However, while there is no guarantee that more recent cohorts are experiencing similar outcomes, preliminary data does suggest the persistence of earlier trends.

In his conclusion, Corak makes the case for adopting a longer-term perspective on the meaning of social inclusion, and argues that, when devising immigration policy, governments should balance shorter-term labour market goals and longer-term societal objectives such as family and education.