

THESIS ABSTRACT

“Essay on Labour Market Outcomes, Earnings Inequality, and Human Capital Investment of Canadian Immigrants”

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“Employment Mobility and Long-Run Earnings Inequality among Canadian Immigrants” (Job Market Paper)

Concern is often expressed by the high degree of earnings inequality among Canadian immigrants. Current inequality measures, however, only capture part of the story. Immigrants are also known to be very mobile with many experiencing significant upward earnings mobility as they assimilate and others experiencing significant employment risk. In the presence of mobility, long-run measures of inequality offer a more complete picture of the inequalities across groups and within populations. In this paper, I examine employment mobility and its effects on long-run earnings inequality among Canadian male immigrants using the Longitudinal Immigration Database and linked tax data. Because the database only contains information for the full immigration population from 2011 to 2015, I estimate lifetime annuity values using the short panel methods in Bowlus and Robin (2012). Incorporating employment risk and earnings mobility, I find long-run earnings inequality among male immigrants is up to 43% lower than the current inequality (a 90/10 ratio of 4.68 versus 8.14). Further, by simulating future earnings stream over 5, 10, 15, and 20 years, I find that around 70 to 80% of the total long-run inequality reduction happens within the first 5 years with the remainder occurring by 15 years. These findings indicate high current earnings inequality among the immigrant population is not persistent over the lifetime. The lower inequality in long-run earnings suggests that immigrants also face lower consumption inequality than indicated by current measures. This is good news. One concerning factor is that the employment risk is concentrated at the bottom of the earnings distribution. Thus, to improve the labour market experience of low-paid immigrants, government policies should aim at preventing these immigrant workers from losing their jobs and enhancing their upward earnings mobility.

“Transition from Landing to Work: The Impacts of Social Networks on Labour Market Outcomes of Canadian Immigrants”

Using the Longitudinal Survey of Immigrants to Canada, I examine the effects of social networks on labour market outcomes of newly arrived Canadian immigrants. I find that the presence of initial networks at landing significantly increase the probability of getting a network job by 8.3 percentage points and reduces the probability of getting a formal job by 7.6 percentage points within six months after landing. The impacts of social networks are even larger four years after landing. Across immigration categories, network effects vary, with the largest effect among the Refugees Class, followed by the Family Class, and then the Economic Class immigrants. In each class, low-educated immigrants rely more on networks to find a job than high-educated ones. By separating close ties into kinship and friendship, I find that family has stronger effects on employment outcomes. Further, the development of the network is important over time. Economic immigrants gain from more diverse networks, and refugees improve their employment outcomes by frequently contacting their networks. Finally, social networks play a limited role in determining the quality of immigrant first jobs.

“The Effects of Economic Conditions and Immigration Policy Changes on International Ph.D. Students in Canada”

What determines the retention of Canada’s international students? How important are pathways to permanent residency versus work permits? Are there business cycle effects that match those of the native population? To answer these questions this paper will use unique administrative data on student permits, work permits and permanent residency for international Ph.D. students in Canada from 1986 to 2018. Exploiting variation in economic conditions and policy changes, I study the effects on study duration, acquisition of permanent residency before graduation, and the retention of students in Canada 5 years and 10 years after arrival. Preliminary results indicate that immigrants may respond differently to business cycle conditions such that they shorten their study durations during bad times instead of lengthening them. It also appears that some policies which make it easier to get work permits extend study duration as students stay longer to qualify.