

SIMILARITIES AND DIFFERENCES IN LABOUR MARKET EXPERIENCES OF MINORITIES OF BLACK, KOREAN AND LATIN AMERICAN HERITAGE

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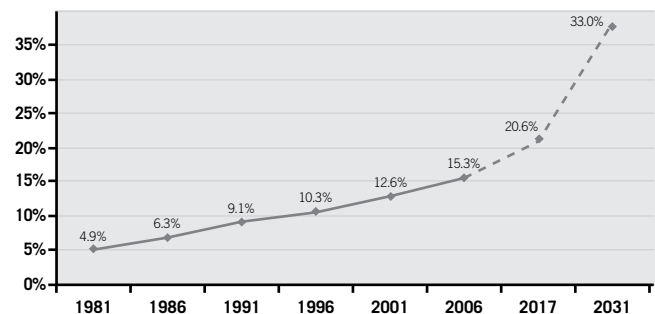
ABSTRACT

Visible minorities currently represent 15% of the Canadian labour force and are expected to reach 33% by 2031. Visible minorities are not a homogenous group and it is important to understand their labour market similarities and differences as they will play an integral part in filling our impending talent shortage. Through the use of focus groups, we examined the similarities and differences of people with Black, Korean and Latin American heritage in the Greater Toronto Area. As our study was a pilot project, the results may be used to determine if further study is required on a national level.

INTRODUCTION

The composition of the Canadian labour force has changed quite significantly in the last few decades. Although visible minorities only accounted for 5% of the Canadian labour force in 1981, their representation level increased to 15% in 2006 and is projected to reach 21% by 2017 and to 33% by 2031 (Martel et al. 2011; Statistics Canada 2005). This increasing representation level can be partly attributed to the changing trend in source countries of immigrants arriving from non-European countries since the 1980s. Only about 14% of all immigrants were from Asia in 1981, but that has increased to 41% in 2006 and is projected to account for 55% of all immigrants to Canada by 2031. The proportion of immigrants from Africa has also been increasing and is also projected to rise in the next two decades (Statistics Canada 2010). The latest projections show that by 2031, the Chinese and South Asians will remain the largest groups, the Black and Filipino groups will double in size, and the Arab and West Asian populations will grow the fastest, most likely tripling in size (Statistics Canada 2010).

Figure 1: Visible minority labour force representation – 1981 to 2031



Sources: Employment and Immigration Canada. *Employment Equity Availability Data Report on Designated Groups* (Ottawa: Employment Equity Branch, Employment & Immigration Canada, 1987); Human Resources Development Canada. *Diversity at a Glance, 1994, 1999, 2004* (Ottawa: Human Resources and Skills Development Canada, Spring 2006); Martel, Laurent, et al. "Projected Trends to 2031 for the Canadian Labour Force." *Canadian Economic Observer* 24.8 (2011): 3.1 – 3.21; Statistics Canada. *Population Projections of Visible Minority Groups, Canada, Provinces and Regions*. Catalogue No. 91-541-XIE (Ottawa: Statistics Canada, 2005); Statistics Canada. *2006 Census of Population*. Catalogue No. 97-562-XCB2006013 (Ottawa: Statistics Canada, 2008).

THE IMPENDING TALENT SHORTAGE

Many organizations around the world are already experiencing increasing difficulty in finding talent to fill various positions (Manpower Group 2011), and Canada is no exception. In a recent survey of almost 40,000 employers in 39 countries, 34% reported experiencing difficulties filling positions due to a lack of available talent (Manpower Group 2011). To ensure Canada's prosperity and competitiveness in the global arena, Canadian organizations will need to attract and fully utilize the human capital of all citizens. Canada's increasingly diverse workforce is an untapped talent pool that can play an integral role in filling this impending talent shortage (Anisef, Sweet and Frempong 2003; Chatterton 2002; Cukier et al. 2009; Royal Bank of Canada Financial Group 2005; Samuel and Basavarajappa 2006).

VISIBLE MINORITY LABOUR MARKET EXPERIENCES

Research studies have shown that visible minorities have been horizontally segregated into certain kinds of jobs (Greenhaus, Parasuraman and Wormley 1990; Kmec 2007), or vertically segregated with respect to their position in the organizational hierarchy (Yap 2010a). Thus, many visible minorities are being denied access to good jobs and are often not provided the opportunity to gain necessary skills or utilize their existing skills and education. As a result they are denied appropriate wages, benefits and decent working conditions (Reskin and Padavic 1999; Yates 2005). Reskin, McBrier and Kmec (1999) support this claim by asserting that organizations that provide good pay and benefits have greater motivation to exclude people. Currently, visible minorities earn on average 14-15% less than non-visible minority counterparts (Hum and Simpson 1999; Nakhaie 2006), and some estimates put that number as high as 18.6% (Block and Galabuzi 2011). In addition, survey data from over 17,000 managers, professionals and executives at large Canadian corporations showed that visible minorities are less satisfied with their careers than their non-visible minority counterparts (Catalyst and the Diversity Institute in Management & Technology 2007).

Many visible minorities often have difficulty obtaining recognition of their education, and as such, they do not experience the same returns for their educational attainment as do non-visible minorities (Nakhaie 2006; Yap et al. 2010b). Studies have shown visible minorities are obtaining more education (Grant and Shevaun, 2007; Hou and Coulombe 2010; Reitz, Zhang and Hawkins 2011; Martel et al. 2011) than non-visible minorities, yet despite having a Canadian degree, they are less likely to find employment than their White counterparts (Samuel

and Basavarajappa 2006). Visible minorities regularly obtain degrees in engineering, sciences, business and the law, yet routinely have a wage penalty of 1-10% compared to White, native-born Canadians (Anisef, Sweet and Frempong 2003; Grant and Shevaun 2007). The situation for first generation visible minority immigrants is grimmer. The financial returns for a foreign degree are approximately 33% less than that of a Canadian degree (Reitz 2007). Historically, it took immigrants 10 to 15 years of Canadian employment experience before they were able to reach wage parity with Canadian-born White/Caucasian workers. It is now speculated that more recent immigrants will never catch up (Buzdugan and Halli 2006; Oreopoulos 2009; Reitz 2007).

VISIBLE MINORITIES ARE NOT A HOMOGENOUS GROUP

There are 10 main visible minority groups in Canada. Therefore, it is important to note that the labour market experiences and perceptions of discrimination for these groups may vary (Fouad and Byars-Winston 2005; Hom, Roberson and Ellis 2008; Jones, Ni and Wilson 2009; MacBride-King and Benimadhu 2004; Stelcner 2000).

As discussed above, studies have found that visible minorities earn less than their non-visible minority counterparts. However, different minority groups have been found to face different wage penalties. For example, Pendakur and Pendakur (2010) found that, in 2005, Chinese men faced an 8% penalty, West Asian and Arab men faced a 13% penalty and the largest difference belonged to South East Asian men who experienced a 30% penalty. Wage gaps can also vary for different visible minority groups based on their position in an organization's hierarchy. Pendakur and Pendakur (2007) found that men and women of Chinese background face a larger negative wage gap in higher level positions than in lower level jobs. In comparison, South Asian women have smaller wage gaps in higher level positions.

Different minority groups also have varied perceptions of their workplaces. For example, visible minority groups perceive their level of workplace discrimination differently. The 2003 Statistics Canada Ethnic Diversity Survey found that Black employees perceived workplace discrimination the most at 35%, followed by South Asian employees at 25%, and Chinese employees at 20% (Banerjee 2006). Perceptions of visible minorities' intent to leave an organization are also important. Studies have shown that Black and Latin American employees differ in their intent to leave an organization based on their perception of what constitutes a favourable diversity climate (Gonzalez and Denisi 2009; McKay et al. 2007).

STUDY DESIGN

This exploratory study is one of the first attempts to explore the similarities and differences in the labour market barriers faced by Blacks, Koreans and Latin Americans in the Greater Toronto Area (GTA). Three focus groups were conducted, one for each of the three ethnicities. The goal was to better understand the labour market experiences of these three groups in areas including finding employment, finding employment that matches their skills, advancement and retention.

In recruiting participants for the focus groups, a number of public, private, and third sector organizations were contacted. They included large publicly traded and privately held Canadian corporations, professional associations, social services (including employment agencies) and settlement services. Most of the organizations contacted expressed interest in the study. Organizations which agreed to help with the recruitment efforts distributed the invitation to their employees and/or service users through postings on their websites, posting of hardcopies on their premises or via email through their employee network groups. Over 60 individuals expressed interest in participating in the focus groups and 28 individuals participated in the three focus groups.

FINDINGS

There are a number of similarities with regards to the labour market experiences of these three groups. All three groups found that language, foreign work experience/credentials, and not having a strong network were challenges to finding employment. Furthermore, participants in the Black and Latin American groups stated that sometimes when they showed up at an interview, the hiring managers looked surprised that their names and looks did not always match up.

"When you come here people think that because you don't have Canadian experience that you don't have experience."

*- Employed Immigrant Male
Latin American participant*

"Regardless of my qualifications, it took me three years to get this job."

*- Employed Immigrant Female
Korean participant*

When it comes to matching people's skills and education to the job they are currently working in, all groups identified underemployment as a problem. In addition, all groups identified not 'fitting' into their organization's "culture" as a barrier as well.

"Finding employment is not the problem. It is matching your qualifications to the right job and growth."

*- Employed Canadian-born Female
Black participant*

Both the Black and Korean groups were optimistic about their career success. In the Korean group, the older participants were quite pessimistic while the younger participants were more optimistic, most likely due to the fact that they had just recently graduated from universities in Canada and one university in the United States.

"I think when you face disappointment so many times you say not likely because that is what you know."

*- Employed Immigrant Male
Black participant*

The groups also shared some similar experiences in the workplace. The Korean and Latin American participants stated they felt that their workplaces were diverse; however, as one Latin American participant pointed out, the diversity was concentrated at the lower levels of the organizational hierarchy. The Black and Korean groups felt they were being treated differently and held to a different standard than other employees. The Black participants did not feel that they were held to a different standard, but they had no room for error while the participants in the Korean group noted that they had to work three times as hard as everyone else. The Black and Latin American groups stated that the effects of discrimination can definitely affect a person, especially in relation to their job satisfaction. Furthermore, participants in both the Black and Latin American groups were open to considering employment opportunities outside of Canada.

"You cannot screw up...there's less room for error. It is almost like you feel you better not screw up because then they'll take the opportunity to sideline you."

*- Employed Immigrant Male
Black participant*

"How can I be fast here? It is first time to adjust to the system."

*- Unemployed Immigrant Female
Korean participant*

"My strategy is to abandon the need to be accepted by everyone."

*- Employed Canadian-born Male
Latin American participant*

All three groups believe that organizations should make the hiring process more transparent, thus eliminating people being hired simply due to tight networks and favouritism. Organizations should also provide more opportunities for employees to find, and benefit from, a mentor. Both the Black and Korean groups would like to see changes to the performance appraisal process. Specifically, appraisals should set goals that are meaningful while providing honest feedback that includes areas for improvement. All three groups would like organizations and government to provide more professional and language training opportunities.

The Korean and Latin American participants would like to see government continue to fund community and social services, as they provide invaluable services. The Black and Korean participants would like to see more government guidelines for the percentage of employees in an organization that should be visible minorities. The Korean group used the word "quotas". All three groups said they would like to see the government do more to facilitate the employment of new and skilled immigrants.

The Korean and Latin American groups thought that improving language/communication skills, volunteering and getting outside of their comfort zone were things they could do to improve their career success. The Black group and some participants from the Korean group thought that improving soft skills would be useful. The Black and Latin American groups thought that staying motivated was important to career success and all three groups thought expanding networks were imperative to improving one's situation.

All three groups did identify not being a good 'fit' as an obstacle to career advancement, however, the Korean and Latin American participants were more willing to adapt themselves to the Canadian culture.

"Companies call it 'fit', visible minorities call it discrimination."

*- Employed Canadian-born
Black Male participant*

The Latin American group was more optimistic and hopeful about their chances of gaining career success than the other groups, and felt they had just as much of a chance to be successful as anyone else.

"I think that I have the same chances that any other White Canadian would have."

*- Employed Immigrant Male
Latin American participant*

When it came to feeling comfortable enough to express their opinions at work, the groups had different perspectives. Some of the Black participants felt they were able to express their views, some participants felt they were not able to do so because their ideas may be "stolen" and they would not receive any recognition.

The Korean group was the only group where participants were not looking for employment outside of Canada. The other two groups were quite open to considering other opportunities within or outside their organizations and were willing to relocate to further their career development.

There were a few differences between the groups on what they thought businesses could do. The Black group wanted to see businesses keep track of which diversity programs work and which ones don't. The Latin American group wanted to see changes in diversity implemented from a top down strategy.

There were also differences between the groups on what they wanted to see government do to assist with diversity in the labour market. The Black group wanted to see a clear definition of what constitutes diversity and have a policy that is consistent and complementary between the federal and provincial governments. The Korean group wanted to see changes to the minimum language requirements to enter language training as many people are often ineligible because they do not meet the minimum requirements and by the time they do, they have been in the country too long. The Latin American group wanted to see the government do more to keep people motivated, as many new immigrants settle for jobs simply to survive.

CONCLUSION

Findings from this exploratory study show that there are similarities and differences in the labour market experiences of visible minorities of Black, Korean and Latin American heritage in the Greater Toronto Area. Further study on a national level may allow a better understanding of the labour market experiences of the different visible minority groups and the barriers they face to full economic integration in their new home.

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