

Technological Change and Declining Immigrant Outcomes, Implications for Income Inequality in Canada

Casey Warman
(Dalhousie University)

Christopher Worswick
(Carleton University)

November 2014

Abstract

The earnings and occupational task requirements of immigrants to Canada are analyzed. The growing education levels of immigrants in the 1990s have not led to a large improvement in earnings as one might expect if growing computerization was leading to a rising return to non-routine cognitive skills and a greater wage return to university education. Controlling for education, we find a pronounced cross-arrival cohort decline in earnings that coincided with cross cohort declines in cognitive task requirements and cross cohort increases in manual task requirements. The immigrant earnings outcomes had only a small effect on overall Canadian earnings inequality.

JEL Code: J15, J24, J31, J61, J62, J71

Keywords : Occupational mobility; Earnings; Language Proficiency; Skills; Human Capital; Immigration