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Why do some employers prefer to interview Matthew but not Samir? New evidence from Toronto, Montreal and Vancouver

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Why do some employers prefer to interview Matthew but not Samir? New evidence from Toronto, Montreal, and Vancouver

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Abstract

In earlier work (Oreopoulos, 2009), thousands of resumes were sent in response to online job postings across Toronto to investigate why Canadian immigrants struggle in the labor market. The findings suggested significant discrimination by name ethnicity and city of experience. This follow-up study focuses more on better understanding exactly why this type of discrimination occurs -- that is, whether this discrimination can be attributed to underlying concerns about worker productivity or simply prejudice, and whether the behaviour is likely conscious or not. We examine callback rates from sending resumes to online job postings across multiple occupations in Toronto, Montreal, and Vancouver. Substantial differences in callback rates arise again from simply changing an applicant's name. Combining all three cities, resumes with English-sounding names are 35 percent more likely to receive callbacks than resumes with Indian or Chinese names, remarkably consistent with earlier findings from Oreopoulos (2009) for Toronto in better economic circumstances.

If name-based discrimination arises from language and social skill concerns, we should expect to observe less discrimination when 1) including on the resume other attributes related to these skills, such as language proficiency and active extracurricular activities; 2) looking at occupations that depend less on these skills, like computer programming and data entry and 3); listing a name more likely of an applicant born in Canada, like a Western European name compared to a Indian or Chinese name, In all three cases, we do not find these patterns.

We then asked recruiters to explain why they believed name discrimination occurs in the labour market. Overwhelmingly, they responded that employers often treat a name as a signal that an applicant may lack critical language or social skills for the job, which contradicts our conclusions from our quantitative analysis. Taken together, the contrasting findings are consistent with a model of 'subconscious' statistical discrimination, where employers justify name and immigrant discrimination based on language skill concerns, but incorrectly overemphasize these concerns without taking into account offsetting characteristics listed on the resume. Pressure to avoid bad hires exacerbates these effects, as does the need to review resumes quickly. Masking names when deciding who to interview, while considering better ways discern foreign language ability may help improve immigrants' chances for labour market success.

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Executive Summary

In earlier work sponsored by Metropolis British Columbia (Oreopoulos, 2009), thousands of resumes were sent in response to online job postings across Toronto to investigate why Canadian immigrants struggle in the labor market. The findings suggested significant discrimination by name ethnicity and city of experience. This follow-up study focuses more on better understanding exactly why this type of discrimination occurs -- that is, whether this discrimination can be attributed to underlying concerns about worker productivity or simply prejudice, and whether the behaviour is likely conscious or not. We examine callback rates from resumes sent to online job postings across multiple occupations in Toronto, Montreal, and Vancouver, and we interview recruiters to explain why they believe name discrimination occurs.

The study found that applicants with English-sounding names are 35 percent more likely to receive callbacks than resumes with Indian or Chinese names. Based on these results, which are similar across Toronto, Montreal, and Vancouver, and on discussions with recruiters, the researchers believe that 'subconscious' or 'implicit' discrimination could be occurring. An applicant's name or country of origin may trigger the perception of lack of language or social skills even if employers and recruiters consciously wish to avoid discrimination. Recruiters' first impression of an applicant's name may make it difficult to realize that other characteristics on the resume offset their initial concerns.

Pressure to avoid bad hires exacerbates these effects – recruiters are more likely to select an applicant who they can easily relate to rather than an applicant who might have excellent qualifications but whose name could imply that they might falter in terms of language abilities. The need to review resumes quickly can also intensify the bias against applicants with foreign-sounding names, as recruiters may not have time to test the language abilities of a qualified candidate with a foreign-sounding name when they have the option to select a candidate with an English-sounding name instead.

For this study, the researchers sent thousands of randomly created resumes by email to job postings in Toronto, Montreal, and Vancouver between February and September 2010. The resumes were designed to plausibly represent typical immigrants that arrived recently under the Canadian Point System from China and India (top source countries for immigrants in all three cities), as well as non-immigrants with and without international sounding names. The researchers collected and analyzed data on callback rates for each type of resume. The researchers also employed a qualitative analysis involving interviews and email questionnaires with prospective employers.

The researchers suggest that masking names when deciding who to interview, training recruiters to be more aware of possible bias and considering better ways

discern language ability may help improve immigrants' chances for labour market success, and that employers would gain from doing this too.

Other points:

- The callback rate for resumes with English-sounding names, Canadian experience, and Canadian education was 13.4 percent. Changing only the name to one with Indian origin lowers the callback rate by 4.2 percentage points, to 9.2 percent, and changing it to one with Chinese origin lowers the callback rate to 10.8 percent.
- Switching applicants' names from English to Greek origins generates lower callback rates (by 2.7 percentage points). The callback rate gap between English and Greek names is about the same as it is between English and Chinese names.