

Ethnic Enclaves and Labour Force Activities of Immigrants in Canada

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Abstract

Canadian immigrants tend to cluster into ethnic enclaves in large cities, such as Toronto and Vancouver. However, little is known about the relationship between immigrant enclave residence and their labour force activities. This paper investigates the effect of ethnic concentration on the labour force participation and employment likelihood of male immigrants by using data from 1981, 1986, 1991, 1996 and 2001 Canadian Census microdata. The results show that ethnic enclaves, measured by the share of immigrants with an ethnicity in a census metropolitan area, are negatively associated with immigrant labour force participation. However, the effect of enclave residence on the probability of employment is insignificant. It is also found that the magnitude of the effect of ethnic concentration varies with time and years in the host country.