Measuring economic exclusion for racialized minorities, immigrants and women in Canada: results from 2000 and 2010

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Measuring economic exclusion for racialized minorities, immigrants and women in Canada: results from 2000 and 2010

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ABSTRACT

In this article, the authors examine patterns of economic exclusion in Canada’s labor market in 2000 and 2010. Using Canada’s Survey of Labour and Income Dynamics data, the authors devise a unique Economic Exclusion Index to capture disparities in income, employment precarity, and wealth. The authors find evidence of persistent disadvantage tied to immigrant status, race, and gender in Canada’s labor market; specifically, individuals identified as Black, South Asian and Arab, as well as recent immigrants and women, fare worst. The authors conclude that there is a need for structural changes that enable disadvantaged groups to move toward economic inclusion in Canada’s labor market.

KEYWORDS

Canada; migration; poverty; race; social exclusion

Introduction

The relational and relative realities of poverty have received renewed focus in recent years in Global North and Global South countries (UNICEF Office of Research, 2016). With this, we see a growing emphasis on rising rates of inequality as opposed to absolute levels of poverty (OECD, 2015). In Canada, our national case example, income inequality has increased since the 1980s (Wolfson, Veall, Brooks, Murphy, 2016), a trend that some analysts argue has been reinforced rather than ameliorated by changes to the country’s social welfare and taxation systems (Banting & Myles, 2015; Lightman & Lightman, 2017). Economists report a dramatic spike in wealth inequality in Canada (Uppal & LaRochelle-Côté, 2015) and a surge (up by 34%) in the share of total gross income captured by Canada’s richest 1% (OECD, 2014), suggesting that the drift toward an increasingly divided society is likely to continue.

Moreover, there are discernible patterns in who gets ahead and who falls behind in Canada’s labor market today. For example, there is evidence of a persistent wage gap between male and female workers in Canada (as seen
across the globe) (United Nations, 2016; World Economic Forum, 2016), and racial minorities and immigrants are unlikely to reach financial parity with their White or Canadian-born comparators in their working lives (Galabuzi & Teelucksingh, 2010; Javdani & Pendakur, 2014).

Familiar frames of reference and defining terms are inadequate to represent these evolving social realities. Indeed, the need for new metaphors of understanding (Blanco, 1994), and new cognitive structures (Bourdieu, 1989), is reflected in the (often fleeting) popularity of such notions as a “new poverty,” the “underclass,” “social closure,” and “social exclusion.” Yet in their application, these ideas regularly lose their distinctive complexity, reverting to a common sense “categorical point-of-view” that functions to sort the idealized “included” from the devalued “excluded” (Good Gingrich, 2003).

In an effort to shift our analysis from the preoccupation with individual and static outcomes to the dynamic economies (or shifting structures) of uneven social systems, in this study we utilize the concept of economic exclusion. Specifically, our analysis is focused on the social structures of the labor market (as central to the primary distribution of material capital) and to a lesser extent, the social welfare system (as the means for redistribution, or the secondary distribution of material capital) (Lightman and Lightman, 2017). To this end, we develop and apply an Economic Exclusion Index to examine how the social structures of Canada’s labor market function to make and organize social groups—specifically “schemes of perception and appreciation” (Bourdieu, 1989, p. 20) defined by social relations of gender, race or ethnicity, and nationality. A comparative analysis of patterns of economic exclusion in Canada in the years 2000 and 2010 allows for evaluation of outcomes preceding and just following the 2008 economic downturn.

We begin with our definition of economic exclusion, followed by a brief discussion of its key features and related literatures, namely, low income, employment precarity, and the polarization of wealth and assets. Subsequently, we introduce our data, variables, and method, and present our index developed from the Survey of Labour and Income Dynamics (SLID) data set. Using this index, we examine various social attributes of individuals in the quintile with the highest economic exclusion outcomes in Canada in 2000 and 2010 and present two regression analyses that control for a variety of social attributes and acquired assets. Our conclusions review the key findings from our analyses, which support our hypothesis that certain racialized groups, new immigrants and women disproportionately experience economic exclusion in Canada’s labor market, with limited evidence of improvement over time. Our analysis contributes to a growing literature on social inequality and “diversity” in Canada and other migration receiving countries and provides a concrete measure (our Index) for ongoing evaluation of the processes and outcomes of economic exclusion.
**Economic exclusion**

Our research objective is a deeper understanding of the specific social processes that result in precise and stubborn economic divides. We theoretically ground our analysis in Pierre Bourdieu’s concepts of social fields and systems of capital. Our working definition of economic exclusion is: *The systematic denial of full access to legitimate means of acquiring economic resources, restricting the volume and functional quality of material, social and cultural capital and reinforcing dispossessed positions and economic divides.* Our object of study is the social structure and power relations of Canada’s labor market, which we analyze as a social field that is defined by its own structure of capitals (economic, social, cultural, and symbolic) and in which individuals and groups compete for social and material goods that are effective and valued in that social field. The labor market, as is true for all social fields, functions according to specific and discernible “perceptions, appreciations, and actions” (Bourdieu, 1977, p. 261) that account for the means by which individuals get ahead, or fall behind; the taken-for-granted logic and beliefs that determine the distribution and worth of all available resources in a social field, including those that are economic, and those that need to be converted to have material value (Good Gingrich & Lightman, 2015).

Economic or material capital is “immediately and directly convertible into money and may be institutionalized in the form of property rights” (Bourdieu, 1986, p. 243). Yet, more consequential than the volume of material capital (or wealth) possessed is the symbolic power to impose the rules of accumulation and exchange. Symbolic power is “the capacity for consequential categorization” (Wacquant and Akçaoğlu, 2017, p. 39) through which dominated and dominant groups are made self-evident and natural, and social fictions become reality. Symbolic power is the social energy of economic exclusion. Through the precise structure of capitals that organizes the social field of the labor market, symbolic power functions to selectively confer value or recognition, thus impeding advancement for those who hold small volumes of capital, and easing and expediting accumulation and exchange for those already flush with assets. Our conceptual framework, therefore, has a dual focus: the volume of material and nonmaterial capital held by individuals and groups, and the functional quality of those assets (Good Gingrich & Lightman, 2015). Consequently, we suggest that the dynamics of economic exclusion in a social field can be represented by indicators of material capital, such as measures of wealth and personal property, along with indicators of the means of appropriating available economic resources, such as employment adequacy and stability, and waged and nonwaged income. Our conceptual model and analysis is thus informed by existing research on income and wage divides, precarious employment, and wealth and asset deprivation.
Income and wage divides

Quantitative analyses of income and wage divides in Canada demonstrate consistent patterns. Using Canadian Census data, Fortin, Green, Lemieux, Milligan, and Riddell (2012) find that the top 1% of Canadians collect incomes that are 14 times larger than the average income of all Canadians, and that 83% of this group are men. In Canada, the ratio of female mean weekly wages to male mean weekly wages has increased over the past decade and a half yet remains at 0.77 as of September 2016, demonstrating a persistent gender wage gap (Statistics Canada, 2016).

Examining Canadian-born ethnic groups in Canada over three census years (1996, 2001, and 2006), Pendakur and Pendakur (2011) find that people identified as South Asian and Black, especially in the cities of Montreal and Toronto, fare poorly in comparison to the majority White population. Running regression analyses that control for personal and job characteristics, their data show minimal evidence of improving outcomes over time or across generations. Immigrants, and especially those coming from “nontraditional” (i.e., predominantly non-White, non-Western European) source countries, are also found to earn less than Canadian-born and in the past 40 years have seen a consistent and disproportionate decline in their earnings upon entering the workforce (Banerjee & Lee, 2015; Green & Worswick, 2012).

Recent research provides evidence of intersecting social dynamics defined by ethnoracial identity and immigration status. For example, in the 1990s, when the number of Canadian-born living on incomes below Statistics Canada’s Low-Income Cut-Off was dropping, low income rates were increasing for all immigrants from “nontraditional source countries” regardless of education, age, and country of origin (Picot & Sweetman, 2005). The deterioration in the economic welfare of many recent immigrants through the 1980s and 1990s was so severe, and demonstrated earning potential was so limited, that their wages and income rates are not likely to ever match those of their Canadian-born comparators or even earlier immigrant cohorts (Morissette & Sultan, 2013). Moreover, research shows that immigrants, despite having higher average levels of education than Canadian-born workers, are almost twice as likely to experience low income (Shields, Kelly, Park, Prier, & Fang, 2011) and suffer negative impacts of a recession first and longer (Picot & Sweetman, 2012).

Job precarity

A growing body of literature has documented the decline of the standard employment relationship that is based on fulltime, permanent work with a single employer, as a reality as well as a normative ideal (e.g. Kalleberg, 2011; Vosko, 2009). Precarious employment—work that is insecure, offers limited protections and benefits, and allows workers minimal autonomy,
Precarious employment has ill effects on the well-being of individual workers as well as wider social effects on households and communities (Underhill & Quinlan, 2011). Some researchers contest a simple association between job precarity and low income and argue that the precarious nature of work, even at middle income levels, is shown to “shape and limit important life decisions including partnership formation, where to live, housing, when to start a family, childcare options, recreation, and many other choices that can impact the quality of life and well-being of individuals and households” (Lewchuck & Laflèche, 2014, p. 46).

Although the gendered nature of employment has long been recognized, precarious employment is not reserved for women and service workers (Hatton, 2011). In Canada, research shows that in addition to women, recent immigrants and racialized groups are more likely to have precarious work and experience unusually high unemployment rates (Block, Galabuzi, & Weiss, 2014; Goldring & Joly, 2014). Examining rates of workers in jobs with no union, no pension plan, low wages, and small numbers of employees from 1999 to 2009, Noack and Vosko (2010) find that in the province of Ontario the magnitude and nature of precarious jobs remained remarkably constant over the decade, whereas Block (2015) reported a 48% rise in the share of low-wage workers in Ontario from 1997 to 2014. Consistent with national reports, both studies find that precarious jobs are most often held by women, immigrants, and racialized people. Using original data from a sample of 300 Latin American and Caribbean immigrant workers in the Greater Toronto Area, Goldring and Landolt (2011) report that the legal status of a Canadian newcomer has a lasting impact on the quality of jobs she or he will get. The authors argue that the rising numbers of individuals who enter Canada through temporary worker programs are likely to remain in precarious jobs even after they acquire permanent residence.

**Wealth and asset deprivation**

Standard explanations for observed differences in assets and wealth-building capacity focus on personal characteristics often referred to as human or social capital. Typically, human capital is captured through indicators including formal education, work experience, host country-specific
language skills, and (occasionally) health status (Hagan, Lowe, & Qungla, 2011; Weaver & Habibov, 2012). Attempts to improve immigrant labor market outcomes in recent years have focused on region of origin, foreign schooling and credentials, quality of education, language proficiency, and labor market experience. Yet the financial returns for education, work experience, and language skills show irregularities for newcomers, making the task of “risk analysis” (CIC, 2010) complex.

Using longitudinal data and growth curve modeling Elrick & Lightman (2016) find that recognized work experience and education have a positive impact on wages for primary applicant immigrants and secondary “tied movers” (who are disproportionately female) upon initial entry to the Canadian labor market. However, providing descriptive analyses from the Statistics Canada International Adult Literacy and Skills Survey, Bonikowska, Riddell, and Green (2008) report that foreign-acquired education and work experience are associated with lower literacy skills and lower returns for Canadian employment. Other authors emphasize the discounting of foreign experience in explaining lower earnings for immigrants but claim that this is unrelated to literacy skills, and that the testing for such skills often reflects cultural biases. In addition, considerable qualitative evidence suggests that immigrants are penalized in the labor market for their lack of Canadian work experience (Guo, 2013).

Aside from nonmaterial (or symbolic) forms of capital, the importance of accumulated material assets, or wealth, for economic inclusion is also well documented (Skopek, Buchholz, & Blossfeld, 2014). In a study of asset poverty in Canada using two cycles of the Survey of Financial Security, Rothwell and Haveman (2015) find that female lone parents, renters, and younger people are more likely to be asset poor. As of 2012, Uppal and LaRochelle-Côté (2015) report that younger families, recently immigrated persons, lone-parent families, and unattached individuals are more likely to have no wealth (measured in terms of total family assets minus total family debt). Although studies in the United States have demonstrated an enormous and persistent Black–White wealth gap (Darity & Hamilton, 2012; Shapiro, Oliver, & Meschede, 2009), little is known about the ethnoracial wealth divide in Canada, as the most reliable data set on wealth (the Survey of Financial Security) does not include information on race or ethnicity.

**Data, variables and method**

**Data set and sample**

Our investigation of economic exclusion utilized the Survey of Labour and Income Dynamics (SLID), a representative data set collected by Statistics Canada until 2011. The SLID is primarily designed to capture trends in
income and labor market activity for individuals and households across Canada. Consequently, it is an excellent source to measure economic exclusion in Canada’s labor market. For this study, the cross-sectional SLID file from 2010 was compared to the equivalent file from 2000. This allowed us to investigate contemporary trends in economic exclusion in Canada, at the beginning and end of the most recent decade, prior and subsequent to the 2008 financial crisis.3

Our sample consists of individuals of typical working age (18–64). We excluded full-time students who were not concurrently working full-time (30 hours a week or more, as defined by Statistics Canada), as well as individuals outside of the labor force (i.e., not seeking employment) for the entire year. The resultant sample size is approximately 33,000 individuals in 2010 and 38,000 individuals in 2000, allowing for relatively robust estimates.4

The dependent variable (the economic exclusion index)

Guided by existing literature and our conceptual model of economic exclusion (Good Gingrich, 2006, 2016), we developed an empirical Economic Exclusion Index to act as our dependent variable (DV). An index, rather than a single variable, best captures the multifaceted nature of economic exclusion, consistent with our focus on procedures and practices. It allows us to account for material and nonmaterial capital held by individuals and households at a point in time, using a single measure.

Our Economic Exclusion Index DV comprises 10 dimensions, detailed in Table 1. Our index aims to capture the three components of economic exclusion identified in the literatures cited above. Each dimension is coded from zero to one, and a higher individual score demonstrates greater exclusion (or economic dispossession), and a lower score represents less exclusion in material terms.

Dimensions 1 through 3 of our Economic Exclusion Index are standard measures of income (as material capital) at the individual, economic family, and household levels. For Dimension 1, individuals received a score of 1 if their composite hourly wages were below the mean and 0 if above the mean. Dimension 2, which is economic family earnings (adjusted for family size), was scaled to indicate the range of earnings between a score of 0 (for economic families with earnings above the mean) and 1 (for those with $0 earnings). Dimension 3, also a scaled variable, was adjusted for inflation and household family size. This variable accounts for the range of household incomes between a score of 0 (for household incomes that were above the After-Tax LIM) and 1 (for households with the lowest incomes recorded).
Dimensions 4 to 7 of the index measure non-income-related aspects (or non-material capital) of labor market engagement, capturing elements of precarious employment and access to material resources. Dimension 4 was coded as 1 if the persons had nonpermanent employment and/or was currently looking for work and 0 if they had permanent employment. Employment adequacy (Dimension 5) was captured through a scaled variable coded to run between a score of 1 (if an individual had worked 0 hours that year) and 0 (if they had worked full time). Dimension 6, also a scaled variable, was coded to capture the range of outcomes between a score of 0 (for individuals without multiple job holdings or for those with multiple job holdings where earnings were above the mean) to 1 (for someone who worked multiple jobs every week of the year and had total earnings below the mean). The final dimension, capturing nonwage job benefits and access to economic capital, is a categorical variable. It was coded as 1 if individuals were looking for work or had neither a pension plan, medical, or dental benefits at their job and as 0 if they received all three at their job. Thus, persons who had only one of these benefits at their job received a score of 0.66 on this dimension.

Dimensions 8 through 10 capture wealth and material accumulation or dispossession. Research shows that home ownership (or lack thereof) serves as a proxy measure for wealth (Uppal & LaRochelle-Côté, 2015). Dimension 8, a categorical variable, was coded as 1 if an individual’s dwelling was not owned by a family member, 0.5 if the dwelling was
owned by a family member but had a mortgage, and 0 if the dwelling was owned by a family member without a mortgage. Nonwage sources of income also provide information regarding accumulated wealth. Specifically, for example, eligibility for many government cash benefit programs in Canada is means tested and is contingent on the absence of material resources (Lightman and Lightman, 2017). Dimension 9 of the index was coded as 1 if the major source of income for the economic family was government transfers and 0 if it was not. Dimension 10, based on absolute investment income, was scaled to run between 1 (for no investment income) and 0 (for the greatest absolute value of individual investment income recorded).

Each dimension of the Economic Exclusion Index DV was uniformly weighted, as we had no theoretical justification for weighting one more heavily than the other. We purposefully included variables measured at the economic family or household level as well as the individual level to capture a more complete picture of economic exclusion, as research shows, for example, that household and personal finances often do not correspond due to gender inequality in families and cultures (Bennett, 2013).

For both years analyzed, 2000 and 2010, correlations between the different Index dimensions varied widely, ranging from a strong correlation of approximately 0.54 (e.g., between economic family earnings and household income) to a minimal/very weak relationship (e.g., between investment income and nonwage benefits). Although our index deliberately encompasses a range of variables to capture divergent aspects of economic exclusion, its Cronbach’s alpha score of 0.75 demonstrates a sufficient level of internal consistency.

Ultimately, each sample respondent received a summary Index score. The range of Index scores in 2000 spanned from 0.95 (for individuals who demonstrated the least degree of economic exclusion) to a maximum of 8.94 out of a possible score of 10. In 2010, the minimum economic exclusion score was zero and the maximum score was 9.72.

The focal categorizations (independent variables) – ethnoracial minority groups, immigrants, and women

Complex social relations such as gender, race, nationality, and class are commonly treated in survey research as categories of and for people that are given in social reality. Our theoretical framework zeroes in on the constitutive power of such “schemes of classification” or “cognitive structures” to construct “social structures,” or to make and order groups (Bourdieu, 1989). For our analysis, the focal independent variables were “visible minority” groups (as defined in the SLID data set), immigrant
status, and gender. However, we note that these variables, as they are operationalized and named in the survey, are simplistic and reductionist (Agrawal, 2013). Specifically, for example, the ethnoracial categories were derived by Statistics Canada in 1991 in a multistep process based on responses to questions on ethnic background, mother tongue and country of birth (Palameta, 2004); the extent to which this classification scheme corresponds to participants’ self-identification or the social world is an empirical question (Good Gingrich, 2006). Furthermore, we recognize that the classification of people ascribes and evaluates identity and obscures the complexity and multiplicity within and between such categories. Thus, we made use of these classifications in our analysis to investigate the “symbolic efficacy” of such “categories of perception” (Bourdieu, 1989, p. 20) by looking for patterns in economic exclusion outcomes (Hacking, 1999). In this way, we analyze the extent to which such social categories are made or constructed.

Based on existing literature, we hypothesized that categories of racial minorities, recent immigrants, and women face greater economic exclusion in Canada, even when controlling for additional personal attributes (such as region of residence, marital status, and age) and common indicators of human capital. We tested our hypothesis in 2000 and 2010 to examine whether changes in the broader macroeconomic context in Canada had varying economic impacts on different social groups. Due to the enduring effects of the 2008 financial crisis, we anticipated that Economic Exclusion Index scores would be higher overall in 2010.

Descriptive statistics revealed our sample to be disproportionately male for both years (53.6% and 52.3% male, respectively, for 2000 and 2010) (see Table 2 below). This was likely due, in part, to our exclusion of individuals outside the formal labor market. Similar to trends noted by other researchers (e.g., Reitz, Banerjee, Phan, & Thompson, 2009), the data show a major compositional shift in the demographic makeup of Canada from 2000 to 2010. Specifically, racial minorities as a unified social category (including immigrant and Canadian-born individuals) represent 9.9% of our sample in 2000, almost doubling to 18.5% in 2010. As of 2010, the largest ethnoracial minority group was “Chinese” (comprising 22.5% of all racial minorities in our sample). Immigrants, both racialized and “White,” made up 18.0% of the sample in 2000, rising to 21.4% in 2010. As of 2010, 16.1% of these immigrants had come to Canada in the previous 5 years, 17.1% had been in Canada more than 5 years but fewer than 10, and the remaining 66.8% had been in Canada for more than 10 years. We grouped immigrants according to their time since arrival, as there is consistent evidence that differences in economic outcomes for immigrants are associated with how long they have been living in Canada (Lightman & Good Gingrich, 2012).
Controls and methods of analysis

To specify and validate the impact of our independent variables, numerous controls were tested and included in our final models. Our controls permit examination of the relationships between personal attributes and acquired assets, and economic efficacy in Canada’s labor market.

Our choice of controls was guided by the abundant literature on aspects of economic exclusion in Canada, which documents the influence of social attributes and acquired assets (or capital). Beyond our independent variables, the social attributes included were marital status, rural/urban residence, region of residence, and age.9 We also made use of typical human capital indicators in the SLID, including mother tongue, years of full-time work experience, years of schooling, and subjective assessment of personal health.10

Initially, we examined the relative rates of economic exclusion as an outcome within the sample population over our 2 years of analysis, 2000 and 2010. Subsequently, we progressed to ordinary least squares (OLS) regression, to ensure any relationship between economic exclusion and race/immigrant status/gender was not attributable to other factors, and to explore if there were changes between the 2 years.11 The reference categories (for noncentered variables) in our regressions were those that were considered the more/most privileged position or the category with the largest number of responses. Ultimately, our regression measures rates of Economic Exclusion Index scores as a function of race/ethnic identification,
time since immigration, sex, and our various controls for human capital and personal characteristics.

**Findings**

**Descriptive analyses**

Our descriptive analyses demonstrate that in 2000 and 2010, there were major disparities in “who” was represented in the most economically excluded quintile (20%) in Canada, as measured by our index. Table 3 provides the percentage representation of our selected SLID categories in the top 20% of our index. The data show that specific social attributes are associated with over-representation (higher than 20%) in the most excluded quintile, and others with under-representation (lower than 20%). From this data, we see that those who fared worst in economic terms were disproportionately those individuals identified as Black, South Asian and Arab, as well as recent immigrants and women.

As anticipated, Table 3 demonstrates that individuals classified as “White”, who make up by far the majority of the Canadian population, were slightly under-represented in the most excluded quintile as measured by the Economic Exclusion Index in 2000 and 2010 (at 19.8% and 19.0%, respectively). Although most “visible minorities” appear to experience more economic exclusion by this measure than “White” individuals, there were important differences between SLID categories in 2000 and in 2010. “Black” individuals were 35% to 39% over-represented in the most excluded quintile, and did slightly worse in 2010 than in 2000 (at 26.9% representation in 2000 and 27.2% in 2010). “South Asian” individuals were more than 90% over-represented in the most excluded quintile in 2000 but fared somewhat better in 2010, still remaining over 50% over-represented in the most excluded quintile (at 38.5% in 2000 and

<table>
<thead>
<tr>
<th>SLID Categories</th>
<th>2000</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>19.8</td>
<td>19.0</td>
</tr>
<tr>
<td>Black</td>
<td>26.9</td>
<td>27.2</td>
</tr>
<tr>
<td>Chinese</td>
<td>14.1</td>
<td>23.2</td>
</tr>
<tr>
<td>South Asian (Indo Pakistani)</td>
<td>38.5</td>
<td>30.8</td>
</tr>
<tr>
<td>South East Asian</td>
<td>16.9</td>
<td>20.5</td>
</tr>
<tr>
<td>West Asian &amp; North African (Arab)</td>
<td>22.3</td>
<td>30.5</td>
</tr>
<tr>
<td>“Other”a racial minorities combined</td>
<td>20.5</td>
<td>30.5</td>
</tr>
<tr>
<td>Immigrant (in Canada ≤ 5 yrs)</td>
<td>32.2</td>
<td>40.1</td>
</tr>
<tr>
<td>Immigrant (in Canada &gt; 5 yrs ≤ 10 yrs)</td>
<td>19.7</td>
<td>21.4</td>
</tr>
<tr>
<td>Immigrant (in Canada &gt; 10 yrs)</td>
<td>15.1</td>
<td>17.2</td>
</tr>
<tr>
<td>Canadian-born</td>
<td>20.2</td>
<td>19.8</td>
</tr>
<tr>
<td>Female</td>
<td>24.9</td>
<td>22.1</td>
</tr>
<tr>
<td>Male</td>
<td>15.5</td>
<td>18.0</td>
</tr>
</tbody>
</table>

*Note. aFilipino, Japanese, Korean, Latin American and Oceanic.
30.8% in 2010). In contrast to outcomes for members of the South Asian category, the dynamics of economic exclusion were far more pronounced for members of the Arab category in 2010 than in 2000, resulting in relative parity with the South Asian category in the latter year (at 22.3% in 2000 and 30.5% in 2010). “Chinese” individuals faced a similar trend to “Arab” persons, albeit with far lower overall levels of economic exclusion. In 2000, those identified as Chinese had better outcomes than all other ethnoracial groups, including “White” individuals, with 29% under-representation in the most excluded quintile. However, by 2010 they were faring worse than “White” individuals overall. The South East Asian category, by contrast, experienced relatively good economic outcomes in this analysis, with 15% under-representation in the most excluded quintile in 2000. Owing to the heterogeneous nature of the ethnoracial groups aggregated in the “other” racial minority social category (necessitated by small sample sizes), precise interpretation of their findings is not possible.

The bottom section of Table 3 focuses on immigrants and women. Here we see a major difference between recent immigrants (in Canada 5 years or fewer) and those who had been in Canada for longer. Recent immigrants were 63% over-represented in the most excluded Index quintile in 2000 and fully 100% over-represented in 2010 (at 32.2% in 2000 and 40.1% in 2010). However, immigrants who had been in Canada more than 10 years fared better than Canadian-born. Although this suggests relatively rapid upward mobility for immigrants, we note that the trend was toward greater exclusion of all immigrant categories in 2010 as compared to 10 years earlier. Men were approximately 20% to 15% under-represented in the most excluded quintile and women were 10% to 25% overrepresented. Nonetheless, there did appear to be some improvement in gender equity from 2000 to 2010.

Altogether, Table 3 suggests the importance of analyzing social dynamics as they precisely function for different ethnoracial groups, and exposes the inaccuracies of common dichotomous comparisons between “visible minority” and “White” groups or immigrant versus non-immigrant. Next, we turn to the results of our regression analyses. Ordinary least squares regressions allowed for a more precise examination of the relationship between ethnoracial minority group membership, immigrant status and gender for individual Economic Exclusion Index scores, while controlling for the influence of additional (and perhaps equally important) personal attributes, as well as indicators of human capital.

**Regression results**

OLS regression models were run to predict Economic Exclusion Index scores using the variables previously described. Overall, Table 4 supports our initial hypotheses, showing that on average there were higher rates of
economic exclusion in 2010 as compared to 2000, and that dynamics of economic exclusion are discernibly more vigorous for many racial minorities, recent immigrants and women than for “White,” Canadian-born, and male individuals in Canada’s labor market, even when controlling for typical human capital indicators. Table 4 presents the unstandardized coefficients and standard errors for equivalent regressions in 2000 and 2010, as well the significance of the difference between slopes across the two time periods.

The regressions demonstrate that persons identified as Black had significantly higher Economic Exclusion Index scores than “White” individuals (for 2000 $\beta = .43$, for 2010 $\beta = .14$) with no significant improvement in 2010 as compared to a decade earlier.12 “South Asian” individuals also scored significantly higher than “White” individuals in both models (for 2000 $\beta = .77$, 

Table 4. Regression of economic exclusion index scores, 2000 ($N = 21,179$) and 2010 ($N = 14,796$).

<table>
<thead>
<tr>
<th>Ethno-racial identification (ref = White)</th>
<th>Model 1: 2000 Coefficients &amp; Std Error</th>
<th>Model 2: 2010 Coefficients &amp; Std Error</th>
<th>Difference Between Slopes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black</td>
<td>0.43** 0.14</td>
<td>0.14* 0.05</td>
<td>ns</td>
</tr>
<tr>
<td>Chinese</td>
<td>$-0.30^{**}$ 0.11</td>
<td>0.16 (ns) 0.18</td>
<td>*</td>
</tr>
<tr>
<td>South Asian</td>
<td>0.77* 0.34</td>
<td>0.34* 0.17</td>
<td>ns</td>
</tr>
<tr>
<td>South East Asian</td>
<td>$-0.10$ (ns) 0.13</td>
<td>0.02 (ns) 0.19</td>
<td>ns</td>
</tr>
<tr>
<td>Arab</td>
<td>$-0.05$ (ns) 0.25</td>
<td>0.36* 0.19</td>
<td>ns</td>
</tr>
<tr>
<td>Other racialized minorities</td>
<td>0.01 (ns) 0.11</td>
<td>0.07 (ns) 0.12</td>
<td>ns</td>
</tr>
<tr>
<td>Time since immigration (ref = Canadian-born)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 yrs or less</td>
<td>0.57*** 0.14</td>
<td>0.50* 0.22</td>
<td>ns</td>
</tr>
<tr>
<td>&gt;5 yrs and ≤ 10 yrs</td>
<td>0.19* 0.09</td>
<td>0.19 (ns) 0.21</td>
<td>ns</td>
</tr>
<tr>
<td>&gt;10 yrs</td>
<td>0.01 (ns) 0.05</td>
<td>$-0.20^{*}$ 0.09</td>
<td>*</td>
</tr>
<tr>
<td>Female (ref = Male)</td>
<td>0.36*** 0.02</td>
<td>0.17*** 0.03</td>
<td>***</td>
</tr>
<tr>
<td>Marital status (ref = Married)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>0.51*** 0.04</td>
<td>$0.56^{*}$ 0.05</td>
<td>ns</td>
</tr>
<tr>
<td>Separated/divorced/widowed</td>
<td>0.48*** 0.05</td>
<td>$0.41^{***}$ 0.06</td>
<td>ns</td>
</tr>
<tr>
<td>Poor/fair self-rated health (ref = Good/very good/excellent health)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rural residence (ref = Urban)</td>
<td>0.13*** 0.03</td>
<td>$0.12^{**}$ 0.04</td>
<td>ns</td>
</tr>
<tr>
<td>Centered age</td>
<td>0.01*** 0.01</td>
<td>0.01*** 0.01</td>
<td>ns</td>
</tr>
<tr>
<td>Years of work experience</td>
<td>$-0.04^{***}$ 0.01</td>
<td>$-0.04^{***}$ 0.01</td>
<td>ns</td>
</tr>
<tr>
<td>Mother tongue not English or French</td>
<td>0.01 (ns) 0.05</td>
<td>0.14 (ns) 0.08</td>
<td>ns</td>
</tr>
<tr>
<td>Centered yrs schooling</td>
<td>$-0.11^{***}$ 0.01</td>
<td>$-0.16^{***}$ 0.01</td>
<td>**</td>
</tr>
<tr>
<td>Region of residence (ref = Ontario)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eastern Canada</td>
<td>0.42*** 0.03</td>
<td>0.21*** 0.04</td>
<td>***</td>
</tr>
<tr>
<td>Quebec</td>
<td>0.29*** 0.03</td>
<td>0.13** 0.04</td>
<td>**</td>
</tr>
<tr>
<td>Western Canada</td>
<td>0.10** 0.03</td>
<td>$-0.16^{**}$ 0.04</td>
<td>***</td>
</tr>
<tr>
<td>British Columbia</td>
<td>0.14** 0.04</td>
<td>0.02 (ns) 0.06</td>
<td>ns</td>
</tr>
<tr>
<td>Constant</td>
<td>3.2*** 0.04</td>
<td>3.38*** 0.06</td>
<td>***</td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td>0.26</td>
<td>0.26</td>
<td></td>
</tr>
</tbody>
</table>

Note. aJapanese, Korean, Latin American and Oceanic. 
*p < .05, **p < .001, ***p < .0001.
for 2010 $\beta = .34$), similarly with no significant change between the 2 years (at $p < .05$). Bolstering the descriptive findings, members of the Chinese category encountered significantly less economic exclusion than “White” individuals in 2000 ($\beta = -.30$), whereas there was no significant difference in 2010. This is consistent with previous research suggesting that a shift in source country from Hong Kong to mainland China has reduced the economic resources brought to Canada by many Chinese immigrants, along with widespread return migration among the financial elite (Zhang & DeGolyer, 2011). In contrast to the descriptive analyses, persons in the Arab category had Index scores that were not significantly different than those for “White” individuals in 2000 but experienced significantly more economic exclusion in 2010 ($\beta = .36$). This too is supported by research that reports rising rates of economic and social discrimination against Muslims in the post-9/11 era (e.g., Block et al., 2014). Members of the South East Asian category and the collapsed “Other” racial minority category had results not significantly different than “White” individuals.

For immigrants, controlling for other social attributes and nonmaterial assets (or common indicators of human capital), both regressions evidence a clear disadvantage for individuals recently arrived in Canada (5 years earlier or fewer). Recent immigrants had index scores at least 15% higher than Canadian-born, with no significant difference between the 2 years (for 2000 $\beta = .57$, for 2010 $\beta = .50$). Yet this data, similar to the descriptive statistics, suggests a positive trajectory for immigrants overall, as those who had been in Canada for more than 10 years had Index scores significantly lower than Canadian-born in 2010 ($\beta = -.20$), with a significant change toward diminishing economic exclusion between the 2 years. Turning to our final focal independent variable, the regressions show significantly higher average Index scores for women than men in 2000 and 2010 (for 2000 $\beta = .36$, for 2010 $\beta = .17$), controlling for the other factors. However, on average, women’s scores relative to men’s decreased by almost 50% over the decade. This suggests improvement in the volume and quality of material capital afforded to women in the labor market, despite substantial persisting inequalities (Good Gingrich & Lightman, 2015).

The remaining control variables capturing social attributes and human capital demonstrate results consistent with previous research. For instance, single or separated/divorced/widowed individuals had Economic Exclusion Index scores significantly higher than people who were married. Having fair or poor self-rated health (as opposed to good to excellent self-rated health) had a large impact on increased exclusion as measured by the index. Individuals in rural areas faced significantly more economic exclusion than urban individuals in both years, as did people residing in all geographic regions other than Ontario in 2000. Demonstrating the shifting economic
landscape across Canada, individuals in Eastern Canada, Quebec, and Western Canada were significantly less economically excluded in 2010 than in 2000, with individuals in the latter case faring better than equivalent individuals in Ontario in 2010.

The models in Table 4 also evidence some degree of age discrimination in both years examined, as individuals above the mean age in the population had higher Index scores on average. Increased full-time work experience and greater years of schooling reduced economic exclusion scores significantly, with a stronger effect for education in 2010 as compared to 2000. This may be related to what economists have termed “degree inflation,” resulting from intensified competition for higher education qualifications, even at the lowest level (Lim, 2013), or it may reflect the deteriorating employment prospects of those with less formal education. Notably, once the model controlled for immigration status and racial minority status, there was no significant effect of having a mother tongue that was not one of Canada’s official languages, suggesting that examination of the relationship between language and economic exclusion requires more precise indicators than available in the SLID, such as measures of language proficiency and the effect of specific accents.

Overall, Table 4 supports our initial hypothesis that, on average, the processes and practices of economic exclusion are selective, disproportionately affecting many racialized groups, recent immigrants, and women as compared with “White,” Canadian-born and male individuals. As well, the models allow us to examine the compounding effects of these social attributes. For example, in 2010, a female recent immigrant who is a member of the Arab category would, on average, have an Economic Exclusion Index score that is almost one third higher than a “White,” Canadian-born woman with equivalent human capital. Similarly, in 2010, a male who is a “South Asian” immigrant, has been in Canada more than 10 years, and has fair/poor self-rated health would have an economic exclusion score that is almost 20% higher than a male who is “White,” Canadian-born, and in good health. Thus, the cumulative and compounding effects of economic exclusion are demonstrated in these models.

**Discussion and conclusions**

Poverty, a quotidian concept, is notoriously challenging to define and to measure, leading to inconsistent evaluations and conclusions within and between nations (Kwadzo, 2015; OECD, 2014). The OECD (2015) reports that the economic crisis period (2007 to 2011) “saw a marked rise in income poverty in OECD countries, especially when measured in terms of ‘anchored’ poverty, i.e. when fixing the real low income benchmark to pre-crisis level” (p. 25). Canada weathered the economic crisis better than most nations of the world, and governments were never required to directly bail out key financial
institutions (Lightman and Lightman, 2017). By some accounts, absolute poverty in Canada is currently at its lowest recorded level (Citizens for Public Justice, 2013). Yet international comparisons show that inequality in household earnings and numbers of people living in poverty increased rapidly in Canada between the mid-1990s and mid-2000s (OECD, 2008), reaching and remaining at levels above the OECD average even during times of economic expansion (OECD, 2008; Yalnizyan, 2013).

This study suggests that rather than a focus on static outcomes such as poverty lines or low income (which commonly function as schemes of classification), the concept of economic exclusion allows for a wide-angle examination of social systems and processes that produce this “new inequality,” and we contribute our Index as one empirical means to do so. Specifically, for example, our quantitative analysis of economic exclusion in Canada in 2000 and 2010 demonstrates that Canada’s labor market functions to generate and reinforce uneven social groups, as well as clear and sustained divisions between them. Our descriptive and regression analyses show that perceived ethnoracial identity matters. Specifically, our descriptive results demonstrate that individuals identified as Black, South Asian and Arab, as well as recent immigrants and women, are the most over-represented in the most excluded quintile of our Economic Exclusion Index in 2000 and 2010, drawing our attention to the complex and multifaceted social dynamics that function to organize people in Canada’s labor market. Despite some positive improvements from 2000 to 2010 for women and established immigrants in terms of Economic Exclusion Index outcomes, our regression analyses add the important finding that even while controlling for social attributes and human capital, significant disparities between visible minority social groups and recent immigrants are persistently produced, as measured by our Index over the course of the decade. In addition, we see that “Chinese” individuals showed a significant increase in their rates of economic exclusion between 2000 and 2010.

Furthermore, our descriptive statistics indicate a wider range of economic exclusion scores in 2010 than in 2000, suggesting increased economic polarization over the course of the decade. This supports a growing body of research that demonstrates deepening social and economic divides in Canada and other advanced capitalist economies. Our regression analyses also suggest elevated rates of economic exclusion in the general population following the recession, as demonstrated by the significantly higher constant in 2010 than in 2000 in our models. However, most “visible minority” categories did not experience significant change in Economic Exclusion Index scores from 2000 to 2010. Instead, the data indicate that the differential consequences of the financial crisis may have varied more by region than by specific social groups in Canada.
Altogether, our research is consistent with existing data demonstrating persistent racialized and gendered structural (or systemic) discrimination in Canada’s labor market (e.g., Block et al., 2014; Pendakur & Pendakur, 2011). Poverty rates and economic exclusion are inextricably linked to the organization and function of labor markets and social welfare systems. In Canada, the trend toward rising inequality is demonstrated to be associated with structural shifts in both. For example, the OECD (2015) reports that “Canada is the country with the highest rate of poverty for non-standard workers among OECD countries (35%, compared to an OECD average of 22%)” (p. 35). At the same time, Canada’s redistributive capacity is evidenced to be among the lowest in OECD countries (Banting & Myles, 2015; OECD, 2015). The incorporation of workers into an increasingly polarized labor market provides the ideal conditions for all dimensions of economic exclusion.

Our quantitative analyses point to at least two defining features of economic exclusion in Canada. First, the dynamics of economic exclusion are shown to be significant for non-“White” individuals, but their function is ethnoracially and context specific. Supporting previous research (e.g. Pendakur & Pendakur, 2011; Wong & Tézli, 2013), the data demonstrate considerable diversity within the “visible minority” social category. Second, our results suggest that acquired human capital is only one component of economic inclusion. The quality or exchange value of nonmaterial forms of capital is differentially ascribed according to established schemes of perception, and groups are thus made and reinforced. Rather than relying on a singular focus on personal assets (e.g., education, employment readiness, work experience and language proficiency), our research makes clear that effective policy responses to widening socioeconomic gaps must take into account intersections between individual-level characteristics and macrolevel factors. “People-change measures” (Edwards, 2009), often the sole focus of market-based social welfare programs, are not sufficient to address economic exclusion.

Notably, the ideal of economic inclusion typically implies a “center” or series of “centers” whereby mandatory insertion or voluntary engagement moves an individual from exclusion to inclusion. But, as our SLID data suggests, this common sense idea of economic inclusion is not for everyone. To the contrary, integration of the Other into the valued “center” of the divided social field is impossible, as it is the exclusion of all that contradicts dominant norms and values that forms its very essence. Instead, there is a need for structural changes in Canada’s labor market and social welfare system. For the secondary distribution of resources to effectively mitigate the limitations and failings of the market, or the primary distribution of resources, research and social policies must address the increasing economic and social polarization of local and global labor markets. Specifically, for example, Noack and Vosko (2010) promote labor regulations that reduce precarious jobs through protections that are tied to the worker rather than the form of employment.
To conclude, through descriptive and multivariate analyses, utilizing objective and transferable measures, we have aimed to quantitatively operationalize the concept of economic exclusion. Our analyses suggest that the sources of economic exclusion reside in organizations, labor markets, and even whole societies, rather than in individuals. Thus, we emphasize the need to devise new ways to measure the compounding effects of social systems that work to assign disparate functional value of individual assets according to certain social attributes over time. For instance, drawing on the rich qualitative literature exposing the intersectionality of class, race, and gender there is a need to quantitatively examine exclusionary (and inclusionary) policies and practices through the use of interaction terms, as well as applying new and innovative methodologies to measure overlapping axes of differentiation. Finally, data that allow for comparative analyses across countries would provide opportunity to examine Canada’s relative rates of economic exclusion as well as assessing “best practices” for policies and practices of economic inclusion.

Notes

1. The concept of economic exclusion fits within our conceptual framework of social exclusion as both processes and outcomes. Our research attempts to trace with some specificity the intersecting, multidimensional, and relational dynamics of social exclusion. We identify four forms of social exclusion—economic, spatial, sociopolitical, and subjective—associated with the dispossession of material and symbolic forms of capital (Good Gingrich, 2016). The analysis reported herein addresses the economic form of social exclusion. For a more in-depth discussion of the operationalization of our theoretical concepts, see (Good Gingrich & Lightman, 2015 and Good Gingrich, 2016).

2. The former Conservative federal government in Canada discontinued a number of national data sets, including the SLID.

3. Although the SLID has a longitudinal component we did not utilize it in this analysis for two reasons: (1) the sample size of racialized minorities and immigrants was significantly smaller than in the cross-sectional files and (2) its time frame (6 years) was too short to demonstrate the shifting dynamics of economic exclusion as we conceptualize them.

4. Survey response rate for the SLID was higher in 2000 than 2010, which explains the disparity in our sample sizes between the two waves. All results are presented according to Statistics Canada requirements.

5. For more information regarding the criteria used for specific “visible minorities” categories, see the Statistics Canada webpage at http://www.statcan.gc.ca/eng/concepts/definitions/minority01a.

6. Ian Hacking (1999) notes that in the social sciences, the merging of ideas, concepts, beliefs, or theories with epistemologically objective items produces classifications of and for people. The significance of this classifying process is that “[o]nce we have the phrase, the label, we get the notion that there is a definite kind of person, … a species. This kind of person becomes reified” (p. 27). A key objective of our broader research
agenda is to examine the processes by which the classifications used in official
discourse (such as national surveys) are produced in the social world.
7. We distinguish between attributes (e.g., race/ethnicity, sex, and birthplace) and
acquired assets or various types of capital (e.g., education) to emphasize social pro-
cesses of economic exclusion. Acquired forms of nonmaterial capital are often termed
“human capital”, especially in political and economic discourse. Bourdieu (2005) refers
to this as a “vague and flabby notion”, “heavily laden with sociological unacceptable
assumptions” (p. 2) such as the “cult of the individual and ‘individualism’” (p. 11). We
share Bourdieu’s critique and rejection of an individualistic and categorical point of
view that is inherent in common references to human capital, and we situate the
popular assumption that “human capital” is evenly effective in the labor market as an
empirical question.
8. For precision, we use the ethno-racial category labels (e.g. “Black,” “Chinese,” etc.) as
they appear in the SLID data set. When the category label is used as an adjective to
refer to individuals or a group of people, we use the term in quotes to remind the
reader that these are Statistics Canada’s labels and not ours, and to emphasize that we
aim to examine congruence between cognitive structures and social structures.
9. Sample size dictated that we could not appropriately control for religious groups.
10. This analysis is not able to measure whether (or to what extent) poor health and low
levels of education are causes or effects of economic exclusion.
11. Parsimony as well as appropriate diagnostic testing guided the final model
specifications.
12. We note that the probability value for the difference between slopes for “Black”
individuals, at 0.051, is close to (but not) significant.
13. Poverty is measured here in a relative manner, operationalized as living with less than
fifty percent of the median income (OECD, 2008).
14. Statistics Canada calculates the LIM as a dollar threshold that delineates low income in
relation to the median income.
15. Full-time work is defined as seven hours a day, five days a week, 50 weeks a year.

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