

Immigrant Careers and Networks

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Abstract

The process of economic assimilation by immigrants and how their career and labour market earnings trajectory evolve over time is of obvious concern to policy makers, especially learning the specific channels leading to improved outcomes. One would also like to know whether, and to what extent, the career dynamics of immigrants differ from those of natives. In this paper, we use the Canadian Employer-employee Dynamic Database from 2005 to 2013 to answer two questions. First, we want to look at how immigrants sort into different firms as they assimilate following arrival, and second, how job referral networks play a role in that process. To do so we adapt the approach developed in Card, Cardoso and Kline (2015) where they investigate how firm-specific pay policies are related to the gender wage gap in Portugal using matched employer-employee data. Next, to investigate how networking effects may affect immigrant outcomes and what fraction of the firm effects are due to social networks, we adapt and generalize the strategy used in Schmutte (2015).