Chapter 5
Racial Inequality and Social Integration

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This chapter examines the extent to which, if at all, inequalities experienced by visible minorities translate into reduced attachments to Canada, or slower social integration into Canadian society. The analysis focuses on racial minorities, since these groups experience the greatest inequalities.

Racial inequality has become a significant public issue in Canada. As the racial diversity of Canadian society grew following immigration policy reforms of the 1960s, many studies documented various economic and other inequalities experienced by “visible minorities” (as these groups have been called officially since the mid-1980s). Awareness of inequalities and reports of discrimination from minority groups also have been documented. Such findings of inequality and reports of discrimination have given rise to debates over necessary reforms, some of which have been adopted, but there is continuing debate about the persistence of underlying inequalities.

Inequalities which persist over time raise a further concern that the unity of the society itself may ultimately be affected. Like the underlying inequalities themselves, lack of social unity represents a potentially significant challenge to an important ideal of a multi-cultural society, that diversity can foster unity. The purpose of the analysis to follow is to assess the significance of this challenge.

The critical role of equality and economic success for the overall relation of immigrants and racial minorities to Canadian society is underscored by several considerations. First and most obviously, inequalities arising or thought to arise from racial bias or discrimination may contribute to a sense of unfairness or injustice which breeds resentment and alienation, and perhaps eventually a withdrawal of support for mainstream institutions. Second, social hierarchies may have an important impact on the investment of individuals in any collective enterprise, whatever their evaluation of the justice of those hierarchies. Those who gain the most from society have a stronger investment in the status quo and are more inclined to feel attached to society, and perhaps even want to give something back. Third, economic or employment success generates resources which may be necessary to facilitate participation in society. By the same token, economic disadvantage and poverty

Note: Portions of this chapter have been published previously as Reitz and Banerjee (2007).
diverts energies toward survival and away from activities which might contribute to the community. Fourth, regarding immigrants specifically, economic advancement is a primary motivation for immigration, and hence the experience of success or failure may have particular bearing on those relatively new to a society. And finally, employment success may help override any tendency for culturally distinct minorities to feel separate or estranged from the mainstream society, and by implication, lack of success may reinforce such tendencies.

The chapter begins with a review of evidence on racial inequality in Canada, including perceptions and awareness of inequality and discrimination. Then, the social integration of immigrant minorities is examined, focusing on racial minorities and those of European origins. Finally, the impact of inequality and awareness of inequality on social integration is examined. Throughout, the effort is to trace patterns across groups representing different experience in Canada: recent immigrants, earlier immigrants, and the second generation offspring of immigrants.

### Racial Inequality in Canada

A degree of racial inequality definitely exists in Canada, and evidence suggests that in certain respects it may be becoming a more serious problem in recent years (Kazemipur and Halli 2000, 2001; Baker and Benjamin 1994; Canada 1984; Christofides and Swidinsky 1994; Ley and Smith 1998; Ornstein 2000; Reitz 2001a). Much of the evidence focuses on objective aspects, reflected in household incomes and poverty rates; here because of our interest in the social implications there is also a focus on the subjective aspect, and the way these inequalities are viewed by minorities. How are patterns of inequality affected by length of experience in Canada and to what extent do they exist for the second generation?

#### Household Incomes and Poverty among Ethnic and Racial Groups

Generally speaking, visible minorities have much lower relative household incomes, and higher poverty rates, than do ethnic groups of European origins. Table 5.1, column 1, shows mean individual-equivalent household incomes for ethnic groups, relative to the mean for the census metropolitan area of residence.\(^1\) For visible minorities as a category, incomes are $7,686 less than the local average, while for Whites, they are $1,895 above the local average; thus, the gap is $9,581. In relation to the national mean individual-equivalent household income of $41,330, this gap is 23.2%. Relative household incomes of virtually all racial minority groups – including Chinese, South Asians and Blacks, as the largest groups – are substantially lower than those of almost all White groups.\(^2\) In 2001, the racial minority poverty rate was nearly double that for the rest of the population (Table 5.1, column 2, from census data):\(^3\) 26.6% compared with 14.2%; some racial minorities had higher rates than others.\(^4\) White ethnic groups experience inequality as well, but not nearly to the same extent.