# MARKET INCENTIVES AND PENALTIES
## for Minority Languages

**BY** Peter S. Li,
University of Saskatchewan

SOCIAL SCIENTISTS HAVE STUDIED THE RETENTION AND LOSS OF MINORITY LANGUAGES IN CANADA AS AN ASPECT OF ETHNIC IDENTITY. RESEARCHERS HAVE USED DIFFERENT APPROACHES IN DEFINING AND MEASURING ETHNIC IDENTITY, AND HAVE COME TO CONFLICTING CONCLUSIONS REGARDING WHETHER ETHNIC IDENTITY IS A RESOURCE OR A PENALTY FOR SOCIAL MOBILITY IN CANADIAN SOCIETY. THIS PAPER FOCUSES ON MINORITY LANGUAGE IDENTITY TO SEE HOW IT CHANGES AND WHAT KIND OF MARKET RETURNS IT BRINGS. TO THE EXTENT THAT NON-OFFICIAL LANGUAGE IDENTITY PROVIDES POSITIVE MARKET RETURNS, SUCH RETURNS CAN BE SEEN AS PROVIDING INCENTIVES FOR ITS MAINTENANCE IN THE HOME SETTING; CONVERSELY, EARNING PENALTIES OF NON-OFFICIAL LANGUAGE IDENTITY CAN BE INTERPRETED AS DISINCENTIVES THAT DISCOURAGE ITS BEING PRESERVED AS MOTHER TONGUE OR HOME LANGUAGE. THUS, STUDYING THE ECONOMIC RETURNS OF MINORITY LANGUAGE IDENTITY REPRESENTS ONE WAY OF ASSESSING WHETHER A SPECIFIC COMPONENT OF ETHNIC IDENTITY HELPS OR HURTS LABOUR MARKET PERFORMANCE. IN TURN, THE ECONOMIC VALUE OF MINORITY LANGUAGE IDENTITY PROVIDES A BASIS FOR UNDERSTANDING WHY MINORITY LANGUAGE IDENTITY PROSPERS OR DECLINES OVER TIME IN CANADIAN SOCIETY.

## ETHNICITY, ETHNIC IDENTITY AND MINORITY LANGUAGE IDENTITY

The term "ethnicity" comes from the Greek word *ethnikos*, the adjective of *ethnos*, which means heathen nations or peoples not converted to Christianity. In the contemporary context, "ethnicity" is often used to designate the notion of a people of a similar heritage. Thus, the concept of ethnicity implies an identity or a sentiment of likeness based on descent, language, religion, tradition and other common experiences.

The internationalization of capital and labour under capitalism has greatly fractured the solidarity of ethnic identity that used to correspond more closely to nations and peoples. At the same time, increased international migration has resulted in people moving across nation-states in large numbers and cultivating in destination societies' hybrids of ethnic identities, which often reflect the exigencies of contemporary life and only nominally the endurance of cultural traditions.

In an immigrant society such as Canada, there is no simple and direct correspondence between "ethnicity" and "ethnic identity." There can be many identities, even within the same ethnic group, with overlapping cultural and behavioural features. As well, ethnic identity may reflect less the robustness of common past traditions than the viability of present conditions that nourish or stifle such components.

Studies of ethnic identity are further complicated by the fact that there are substantial differences in how "ethnic identity" is framed and measured. Consequently, conclusions regarding "ethnic identity" are influenced by different elements being included or excluded in mapping out the composite concept.

## PATTERNS OF MINORITY LANGUAGE IDENTITY

The extent to which Canadians adopt a non-official language as mother tongue or home language reflects the linguistic diversity in Canada, as well as the degree of commitment or identity towards non-official languages. Findings from previous Canadian censuses indicate that (1) linguistic diversity in Canada has increased in more recent censuses largely as a result of immigration; and that (2) the pull towards adopting English as mother tongue and home language has been strong.

Data from the 1996 Census reveal that there is substantial linguistic diversity among foreign-born Canadians, in terms of adopting a non-official language as mother tongue or home language, but the linguistic diversity declines dramatically among native-born Canadians. For example, those with a non-official language mother tongue account for 67 per cent of foreign-born Canadians and those with a non-official home language account for 45 per cent. However, only 6.2 per cent of native-born Canadians speak a non-official language mother tongue and only 2.8 per cent speak a home language other than English or French.

Comparing foreign-born Canadians to native-born Canadians, the decline in percentage of people with a non-official language mother tongue or home language for the same ethnic group may be viewed as the rate of loss of minority language identity. The loss of minority language identity is more severe among those not of visible minority origins and less so among those of visible minority origin. These differences reflect partly the changing patterns of immigration.

Europeans have been immigrating to Canada for a longer history due to the past bias in favour of European immigration. Thus, immigrants from Asia, Africa and other non-European source countries only began to enter Canada in large numbers beginning in the late 1960s. This has resulted in a difference in the duration in Canada for European Canadians and for visible minority Canadians. Thus, native-born Canadians of European origin are more likely to have been in Canada for several generations than native-born visible minorities, thus having a longer time to lose their ethnic language identity and to convert to official languages than visible minority Canadians. No doubt, there are also other differences in ethnic groups, in that some groups have developed a stronger sense of distinct community in enabling their members to preserve their identity. However, differences in these factors are insufficient to explain why, over time, all non-official language groups tend to lose the ethnic language and convert to official languages.

## MARKET VALUE OF OFFICIAL LANGUAGE AND MINORITY LANGUAGE IDENTITY

One explanation of why official languages in Canada, especially the English language, have such a strong pull in attracting newcomers to convert to them over time is that the ability to speak official languages carries definite labour market returns. In contrast, knowledge of non-official languages has been shown to carry an income penalty, based on an analysis of the 1991 Census.

The 1996 census data show that for male and female Canadians, there are positive returns associated with bilingualism in English and French and with unilingualism in English. However, there are penalties for those who speak only French, and even greater penalties for those who speak neither official language. When variations in schooling, experience, job characteristics, nativity, years of residence in Canada and labour market features are taken into account, male Canadians who only speak English earn about $199 below the average ($31,792) yearly, as compared to those who speak only French earning $1,101 below the average. Bilingual male Canadians have a definite income advantage, but those who speak neither official language suffer the largest income penalty. The pattern is essentially the same for female Canadians, although the magnitudes of income difference that can be attributed to knowledge of official languages tend to be smaller.

The effect of mother tongue on earnings is unequivocal. For males, those who speak English as mother tongue have a definite earning advantage and this advantage is maintained in the magnitude of $911 above the mean, even after controlling for other variables. However, those who speak French as mother tongue and those who speak English and French as mother tongues suffer an income disadvantage. Most male speakers of mother tongues in non-official languages also suffer an

earning penalty, except those who speak German, Netherlandic languages and Italian. However, even male speakers of these mother tongues have an earning disadvantage when variations in other factors have been taken into account. The only speakers of a non-official mother tongue who do not suffer an income penalty are those who speak Portuguese as mother tongue, and their net earnings remain $838 above the average every year. Among the speakers of non-official mother tongues, those who speak Greek suffer the most, followed by Chinese, then by Ukrainian and by other Indo-Iranian languages.

For female Canadians, the income advantage of those who speak English as mother tongue is also maintained after variations in other factors are taken into account, but their advantage tends to be smaller than their male counterparts. Similarly, the income penalty for those female Canadians who speak French only or both French and English as mother tongue tends to be smaller than their male counterparts. Like male Canadians, all female speakers of a non-official language as mother tongue suffer an income penalty, except for those who speak an Arabic mother tongue and those who speak a Portuguese mother tongue. The magnitudes of earning disparity among those who speak a non-official language as mother tongue tend to be smaller among females than among males.

The data on official languages and mother tongue indicate that those who speak the official languages have an income advantage than those who don't. When all the mother tongues are considered with other variables, English mother tongue has an income advantage for both male and female Canadians, whereas speakers of most non-official mother tongue suffer a net income penalty.

The pattern of returns associated with home language is similar to that associated with mother tongue. The data on home language also show that English home language carries a definite market advantage, whereas most speakers of a non-official home language suffer an income penalty. The penalty tends to be particularly severe for male speakers of Chinese and other Asian languages.

## IMPLICATIONS OF MARKET DISINCENTIVES ON MINORITY LANGUAGE RETENTION

The analysis of the 1996 Census confirms that the adoption of a non-official language as mother tongue or home language brings no earning advantage and in fact a net income penalty, except for a few language groups among women, whereas having English as mother tongue or home language yields a consistent income gain for both men and women. It does not really matter whether the income disadvantage is reflecting the true value of non-official languages or what non-official languages symbolize. There are negative returns attributed to non-official languages or to features associated with non-official languages. Examples of such features include a foreign accent, a foreign image and, in some instances, a foreign (non-white) race. They become social markers in discounting the earnings of those identified with such unfavourable characteristics.

Over time, as most non-official language mother tongues and home languages are repeatedly paired with income penalties, speakers of minority languages learn to dissociate themselves with such "foreign" languages and with characteristics associated with them in order to minimize the earning penalty. At the same time, the income rewards of the English language become incentives, especially for immigrants and their children, to convert to English as mother tongue and home language. Thus, the combination of market disincentives associated with non-official languages and the net income advantage of English mother tongue and home language probably helps to explain why minority language identity declines dramatically over time, especially among native-born Canadians.

## CONCLUSION

The analysis shows that there is a substantial variation in linguistic diversity in Canada, although such diversity tends to be much stronger among foreign-born Canadians than native-born Canadians. The decline of non-official languages as mother tongue or home language among native-born Canadians, compared to among the foreign-born, indicates that there is a loss of minority language identity in Canada. Neither immigration-related demographic change nor ethnic cultural variation is sufficient to explain why minority language identity systematically declines over time.

The analysis indicates that those who have the knowledge of the official languages have an income advantage over those who do not have such knowledge and that English mother tongue or home language yields an income gain for both men and women when variations in other factors have been taken into account. In contrast, most non-official language mother tongues or home languages bring a net earning penalty, but the negative returns vary depending on the language and depending on the gender. In general, the income disadvantage tends to be larger for male speakers of non-official languages than for their female counterparts.

Thus, there are substantial market disincentives that can be attributed to non-official languages. At the same time, the net income gain associated with English tongue or home language serves as incentives to attract non-English speakers to convert to English mother tongue or home language. Over time, these market disincentives and incentives probably encourage Canadians to abandon non-official languages as mother tongue and home language in favour of the English language.

In terms of the debate about the effect of ethnic identity on social mobility, the present analysis only suggests that minority language identity, as an aspect of ethnic minority identity, jeopardizes economic performance in the Canadian labour market. However, until more is known about ethnic identity as a multidimensional concept and about how different dimensions influence market outcomes, claims regarding whether ethnic identity helps or hurts social mobility can only be partial and tentative.