PERCEPTIONS OF WORKPLACE DISCRIMINATION AMONG CANADIAN VISIBLE MINORITIES

Rupa Banerjee is an assistant professor of Human Resources and Organizational Behaviour at Ryerson University. Her primary research interest lies in the employment and social integration of immigrants and second generation Canadians. Rupa completed her PhD and Masters in Industrial Relations and Human Resources at the University of Toronto.

ABSTRACT

This study investigates perceptions of workplace discrimination among visible minorities in Canada. Specifically, I examine how objective income disadvantage and expectations for equity influence minorities' perceptions of discrimination. The results indicate that one's reference group and expectations are more important than objective income disparity in determining perceived discrimination. This article is a summary of the following published study: Banerjee, R. "An Examination of Factors Affecting Workplace Discrimination." *Journal of Labor Research* 29.4 (2008): 380-401.

INTRODUCTION

Within the context of employment, perceived discrimination is known to have important organizational and personal consequences, such as decreased productivity, organizational commitment, job satisfaction, and well-being (see Sanchez and Brock 1996; Ensher et al. 2001; Deitch et al. 2003; Pavalko et al. 2003). Perceived discrimination may also result in grievances and legal action (Allen and Keaveny 1985).

Despite the apparent importance of this topic, most studies of employment discrimination have focused on its objective manifestations, such as earnings disparities. However, discrimination may also be manifested in other forms of unfair treatment, and if this is not reflected in objective measures such as earnings, many instances of discrimination may be overlooked with this type of analysis. Examining individuals' perceptions allows us to explore the subjective side of discrimination. Whether perceptions accurately reflect actual discriminatory treatment is difficult to determine. However, perceptions do characterize reality for those who report them and therefore have real consequences for workers and employers.

The present study examines the factors affecting perceptions of ethno-racial discrimination in employment. Throughout this study, I focus on the experiences of visible minorities, since previous evidence suggests that visible minorities not only experience greater objective disadvantage, but also perceive far more discrimination than their white counterparts. By understanding the factors that affect minorities' perceptions of workplace discrimination, employers and policy makers may be able to identify the groups who feel the most alienated at work. Since the negative consequences of perceived discrimination are well-known, the findings of this study carry important implications for all diverse societies.

OBJECTIVE AND SUBJECTIVE DISCRIMINATION

Objective disadvantage does not necessarily result in perceived discrimination. Visible minorities may experience unfair treatment without attributing it to discrimination, or they may sense discrimination that is not evident in earnings or employment status but nonetheless has adverse effects on them.

One of the main factors that affects perception of discrimination is one's reference group. In other words, feelings of discrimination depend on with whom an individual compares his or her personal or group's situation (Crosby 1976; Dion 1986; Folger 1987). Another related factor affecting the perception of discrimination is expectations. When individuals experience situations that do not conform to their expectations, they are more likely to perceive discriminatory treatment. Therefore, individuals who are aware of their rights, and expect fair treatment are more likely to perceive discrimination when they face inequality.

In the present study, I predict that visible minorities' perceptions of workplace discrimination will depend on: (i) objective earnings disadvantage; (ii) reference or comparison group and; (iii expectations of equitable treatment and awareness of rights. I specifically examine the effects of immigrant status, education and income inequity on perceived workplace discrimination since each of these factors could affect objective disadvantage, one's reference group, and/or expectations.

Immigrant status

There is general consensus that recently arrived immigrants experience the greatest objective disadvantage in the Canadian labour market (see Frenette and Morissette 2003; Aydemir and Skuterud 2005). Since they experience the greatest objective inequality, new immigrants may be more likely to perceive discrimination than more established immigrants and Canadian-born visible minorities. On the other hand, new arrivals may have relatively low expectations, and their comparison group likely consists of other new immigrants or individuals in their home country. Since their expectations and norms are likely based on their experiences in their home country, new immigrants may not perceive discrimination even in the face of considerable disadvantage.

After some time in Canada, immigrants often adapt to the new culture, become more fluent in the language and develop a greater sense of belonging to the society. As they integrate, immigrants may shift their comparison group to mainstream workers with similar qualifications to themselves. This shift is likely to lead to higher employment expectations. In addition, with time in the host society, immigrants are likely to become more aware of their rights and come to expect equitable treatment from employers, managers and coworkers. While immigrants' expectations and awareness may heighten over time, recent studies have found that visible minority immigrants continue to face considerable economic disadvantage even after many years in Canada. If long term immigrants compare their economic position to that of mainstream Canadians and find that they are still disadvantaged after many years, they are likely to experience significant frustration and attribute their disadvantage to discrimination.

Having been raised and educated in Canada, native-born visible minorities are very likely to compare their employment situations with mainstream (white) Canadians. Furthermore, these visible minorities are likely to be aware of their rights and expect equitable treatment. Some studies have found that Canadian-born visible minorities continue to experience employment disadvantage relative to mainstream Canadians (see Pendakur and Pendakur 2011), although they face less disadvantage than their immigrant counterparts. If Canadian-born visible minorities continue to face objective disadvantage, they are likely to perceive discrimination; however, this may be less than immigrants.

Education

Education is known to increase expectations of career success and awareness of social inequalities (see Cardarelli et al. 2007). Highly educated individuals may also be more likely to base their identity on their education and skills than less educated individuals. Therefore, highly educated visible minorities would likely compare themselves to similarly educated mainstream (white) workers. If they find that their qualifications are undervalued, they may believe that discrimination is at play. This may particularly affect immigrant visible minorities, whose foreign qualifications are known to be discounted in the Canadian labour market.

Income inequity

Perceptions of discrimination may correlate with objective income inequity if workers are able to accurately gauge the extent to which they are underpaid (Hampton and Heywood 1993). However, employees' perceptions of workplace discrimination may not always be consistent with objective inequity. Both Kuhn (1987) and Hallock, Hendricks and Broadbent (1998) failed to find a relationship between perceived discrimination and statistical measures of income inequity for women.

DATA, MEASURES AND METHODOLOGY

My sample is drawn from the Ethnic Diversity Survey (EDS), conducted by Statistics Canada and Canadian Heritage in 2002. The EDS was designed to increase representation of ethnic minorities, including immigrants and the second generation. The EDS includes 41,666 respondents (of which 8,622 are visible minorities).

The outcome variable is ***Perceived Workplace Discrimination,*** a dichotomous variable based on the following question:

> *"In the past 5 years (or, for recent immigrants, since you arrived in Canada), do you feel that you have experienced discrimination or been treated unfairly by others in Canada because of your ethnicity, race, skin color, language, accent, or religion?"*

Those answering "yes," were asked:

> *"In which places or situations do you feel that you have experienced discrimination or been treated unfairly?"*

Those who chose 'at work or while applying for a job or promotion' were considered to have perceived workplace discrimination.

The explanatory variables in the analysis include the following:

Immigrant Status. (i) recent immigrants; (ii) earlier immigrants and (iii) native born Canadians.[1]

Education. (i) less than high school; (ii) high school diploma; (iii) some post-secondary education, including community college; and (iv) university degree.

Income. Annual employment income, including wages and salary, commissions, tips and bonuses. I use this variable to create a measure of income inequity.

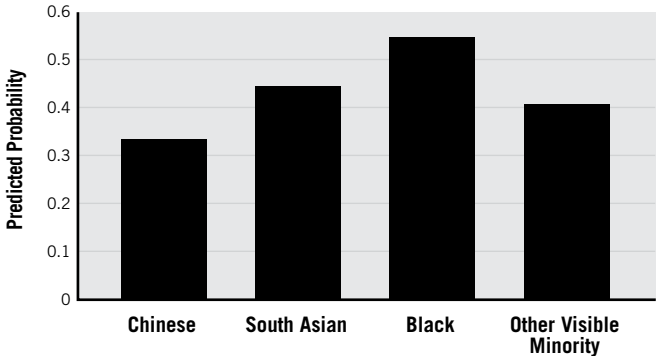
In order to understand the factors that affect visible minorities' perceptions of workplace discrimination, a logistic regression analysis was first conducted for all visible minority workers in the sample, with perception of workplace discrimination as the dependent variable. The key explanatory variables in this analysis were: immigrant generation and education.[2] The three largest visible minority groups (Chinese, South Asians and Blacks) were identified in this analysis in order to determine the effect of visible minority group on perceived discrimination. In addition, the analysis was done separately for immigrants and Canadian-born visible minorities. In this analysis, the main variable of interest was education. This allowed us to see if education has a differential effect on perceived discrimination for immigrants and Canadian-born visible minorities.

Next, in order to examine whether objective income inequity is related to visible minorities' perceptions of discrimination, I adapted the technique utilized by Kuhn (1987). For this section of the analysis, I restricted my sample to those who reported positive employment earnings. I first estimated the objective income inequity faced by each visible minority in the sample. This is essentially the difference between what that individual actually earns and what they would earn if they were a white employee. In other words, the difference estimates the income gap experienced by the individual that is not attributable to his/her human capital. This unexplained component of the racial income gap is often attributed to discrimination.[3] From this analysis, the estimated mean annual income inequity experienced by visible minorities in the sample is $5,676. I utilized logistic regression to examine the effect of this individual-specific objective income inequity on perception of discrimination.

RESULTS

Comparing the three largest visible minority groups in Canada, I found that Black respondents were the most likely to perceive workplace discrimination. Next were South Asians, followed by other visible minorities. Chinese respondents were the least likely visible minorities to perceive discrimination. These regression results, transformed into predicted probabilities, are presented for each minority group in Figure 1.

Figure 1: Probability of Perceived Discrimination by Minority Group



Note: These are the predicted probabilities of perceiving workplace discrimination for native-born visible minorities with a university education. Predicted probabilities were calculated from logistic regression coefficients.

Examining the immigrant generation, I found that both recent and earlier immigrants were more likely to perceive discrimination than Canadian-born visible minorities. Both of these groups were about 1.5 times more likely to perceive discrimination than the Canadian-born. However, earlier-arrived immigrants were slightly more likely to report workplace discrimination than recent arrivals.

Post-secondary education was found to heighten perception of discrimination. Those with any form of post-secondary education were nearly two times more likely to perceive discrimination than respondents with high school education or less. Examining the effect of education separately for immigrants and the native-born, I found that higher education has a very strong positive effect on perceived discrimination for immigrants but no effect for the Canadian-born.

Lastly, I did not find a significant relationship between objective income inequity and perceived discrimination. In fact, the regression results show that there is almost no relationship between the two.

DISCUSSION AND CONCLUSION

In the present study I found that one's reference group and expectations of fair treatment are more important in determining perceptions of discrimination than is objective disadvantage.

Immigrant visible minorities are more likely to perceive workplace discrimination than their Canadian-born counterparts. This is not surprising since immigrants are known to experience greater disadvantage than native-born visible minorities. But among immigrants, those who have been in Canada for more than 10 years are actually slightly more likely to perceive discrimination than newcomers, even though newcomers are known to face greater disadvantage than longer term immigrants.

It is likely that recent immigrants compare their employment situations to that of other new immigrants or individuals in their home country, rather than to other Canadians. If they find that they are faring as well as individuals in their comparison group, new immigrants may be satisfied and overlook instances of unfair treatment. Furthermore, new immigrants' expectations and norms of workplace behaviour are likely shaped by their previous employment experiences in their home country. So, new immigrants may be less aware of Canadian laws, rules and norms for equitable treatment.

As immigrants gain experience in Canada, they begin to understand Canadian norms and expect to be treated like mainstream Canadians. When they find that they are unable to meet their expectations after spending years in Canada, these immigrants become disillusioned and thus are more likely to perceive discrimination.

Visible minority immigrants with post-secondary education are more likely to perceive workplace discrimination than their less educated counterparts. Educated immigrants likely compare their situations to similarly educated mainstream Canadians and have relatively high expectations of success. If educated immigrants find that their qualifications are not being recognized and they are not able to achieve the level of success that they had anticipated, they may feel that they have been discriminated against. Furthermore, since education is known to increase awareness of social inequalities, educated individuals may also be more perceptive to instances of injustice.

Income inequity is not found to be related to visible minorities' perceptions of workplace discrimination. This indicates that workers are either unaware of their level of inequity or unable to accept that income discrimination could affect them personally. Instead, it seems that workers' perceptions of discrimination are more influenced by factors related to their reference group and expectations.

The findings of this study suggest that subjective experiences of discrimination do not necessarily reflect objective measures, such as income inequity. Since subjective perceptions of discrimination carry serious consequences, it is imperative to understand these perceptions so that steps may be taken to address the issues. By understanding the factors that affect employees' perceptions of discrimination, employers and policy-makers may be able to better design and implement diversity training programs as well as councils, networks and mentoring programs for minority employees. If employers recognize the problem of discrimination and take steps to remedy the situation, they may be able to improve employee morale, turnover and productivity and lower the costs of human rights complaints and court cases. As workplaces become increasingly diverse, this issue is likely to be even more important in the years to come.

NOTES

[1] Respondents who have been in Canada for 10 years or less are coded as 'recent immigrants' and those who have been in Canada for more than 10 years are coded as 'earlier immigrants'. Due to the limited number of third and fourth generation visible minorities in the EDS, all Canadian-born respondents are included in one category, regardless of whether they belong to the second, third or fourth generation.

[2] Age and gender were also examined, but were found not to have a significant effect on perceived discrimination.

[3] See Banerjee (2008) for a detailed explanation of this calculation and analysis.

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