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Zenaida R. Ravanera

Western University, ravanera@uwo.ca

Juyan Wang

Western University, jwang247@uwo.ca


Beaujot Roderic

Western University, rbeaujot@uwo.ca

Jianye Liu

Lakehead University, jliu8@lakeheadu.ca

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# Vulnerable Young Adults' Entry into Full-time Work: An Analysis Using the Canadian Survey of Labour and Income Dynamics

## **Cover Page Footnote**

Revised version of the paper presented at the Annual Meeting of the Canadian Population Society, Calgary, June 2016.

**Vulnerable Young Adults' Entry into Full-time Work:  
An Analysis Using the Canadian Survey of Labour and Income Dynamics**

Zenaida R. Ravanera ([ravanera@uwo.ca](mailto:ravanera@uwo.ca))

Juyan Wang ([jwang247@uwo.ca](mailto:jwang247@uwo.ca))

Roderic Beaujot ([rbeaujot@uwo.ca](mailto:rbeaujot@uwo.ca))

Western University

Jianye Liu ([jliu8@lakeheadu.ca](mailto:jliu8@lakeheadu.ca))

Lakehead University

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Abstract

*This study examines the entry into first full-time work of Canadians aged 18 to 29 with focus on the influence of parental socio-economic status and characteristics of communities where respondents reside. We find that the youth with middle SES parents start full-time work at younger age than those with low or high parental SES. As for community and area effects, the youth in more vulnerable communities have lower likelihood of full-time employment, while these odds are highest in the Prairies. Furthermore, parental SES influences the magnitude of the effects of individual and community characteristics. Except for gender, age, and education, all other variables included in our analysis have significant effects only in middle and high SES, and these effects are significant only at younger age groups, 18-21 and 22-25.*

## **Introduction**

Research has shown that young Canadian men and women born to parents of low social status were more likely to become parents at a younger age, often without first completing post-secondary education or having a period of regular full-time work (Ravanera and Rajulton (2006, 2007)). Other research also indicates that more educated mothers and fathers spend more time in child care, giving their children further advantages (Gauthier et al., 2004; Sayer et al., 2004). Likewise, parental separation has a detrimental effect on the experience of the children's family life transitions. Le Bourdais and Marcil-Gratton (1998), for example, found that, in Canada, young people who had experienced their parent's separation were more likely to enter cohabiting relationships early, less likely to have a direct marriage, more likely to give birth before age 20, and more likely to experience union dissolution (see also Hofferth and Goldscheider, 2010; Lappegard et al., 2009). Those who had experienced early union formation and parenthood were more likely not to have the time to complete their post-secondary education, and to settle into stable, well-paying jobs. These consequences are well captured by the term "long arm of demography", a concept proposing that early transitions can mean low human capital investments from parents and society, making for vulnerability to lone-parenthood and "fragile families" in the next generation (Kiernan, 2002).

Despite vulnerabilities however, many young adults do succeed in obtaining higher education, developing careers, and subsequently settling into stable family life. An important factor contributing to resilience is parental and community investments on the young.

### **Vulnerable Young Canadians**

In recent years, there has been a concern in Canada, as well as other parts of the world, about the weakened economic participation of young adults. Of concern is the high unemployment rate of young people. For 2012, for example, Galarneau, Morissette and Usalcas (2013) estimate the unemployment rate of Canadians aged 15-24 as 14.3%, a rate that is twice the national average, although they do show with data dating back to 1976 that young people have always had a higher unemployment rate than older Canadians regardless of the country's economic situation.

Using another labour market indicator, Morissette, Hou, and Schellenberg (2015) show that, from 1976 to 2014, the decrease in full-time employment was the largest for Canadians aged 17-24. That is, for the population aged 17-64 the percentage of population employed full-time increased by 4% (from 62% in 1976 to 66% in 2014), but for those aged 17-24, full-time employment decreased by 18% (from 77% to 59%) for men and 11% (from 59% to 48%) for women. They estimate that three-quarters of the decrease in full-time employment for men, and virtually all the decrease for women were due to increases in part-time employment.

A concern mainly in European countries but also in Canada is the group of young people who are neither enrolled in school, in employment nor in training (referred to with acronym NEET). Based on studies done in Great Britain, NEET youth are at risk of becoming "discouraged, disengaged and socially excluded" (Marshall, 2012: 4; citing Bynner and Parsons, 2002, and Yates and Payne, 2006). Marshall (2012) notes that of the G7 countries with comparable OECD data, Canada has the second lowest NEET rate at 13% among youth aged 15-29 in 2009, with Germany having the lowest at 12%). (See also, LaRochelle-Côté (2013) whose estimate for 2007 is around the same figure or 12%). Marshall (2012) also finds that NEET rates, both for the unemployed and actively looking for work and for those not in the labour force, vary with age and education, with the rates higher for those who are younger and have lower education.

Thus, on the average, it does seem that the young are not doing as well as older Canadians. But, young Canadians are heterogeneous, with some doing better and others worse than the average. Hatfield (2004) identified five groups as particularly vulnerable to persistent low income in Canada: lone parents, unattached persons aged 45-64, recent immigrants, persons with work-limiting disabilities, and Aboriginal populations. Young aboriginals and recent immigrants would thus have a double disadvantage and likely to be in more precarious economic situation than other young adults.

This paper examines the impact of parental socio-economic status on young people's entry into regular full time-work. We assume that the higher the parental status, the higher is the investment in children, and in turn, children who receive greater parental investment for higher education are more likely to start regular work later. We also examine how community characteristics influence the entry into full-time work of children of different parental socio-economic statuses.

## Data and Method

Our study uses data from the Survey of Labour and Income Dynamics, a longitudinal survey conducted by Statistics Canada from 1993 to 2011 (Statistics Canada, 2013). SLID aimed at understanding the economic wellbeing of Canadians, and collected cross-sectional, retrospective and prospective data on a variety of transitions regarding education, work and family. SLID collected information from a panel of respondents over a six-year period, with a new panel selected every three years.

This paper focuses on young adults aged 18-29 at the start of the panel survey. To have an adequate number of respondents, we include five completed panels in our analysis: panels that started in 1993, 1996, 1999, 2001, and 2004.

We first do a survival analysis of the age at the start of full-time work, and how this differs by parental socio-economic status (SES), using retrospective information for respondents who started working full-time before the start of the panel. We then derive this age at the start of full-time work for those who experience the event within the six years of the panel survey. Information on father's education is our indicator of parental SES: elementary for Low, some high school and high school graduate for Middle, and some post-secondary and higher schooling for High SES. Other relevant variables, such as father's occupation and whether the respondent was raised in a single-parent family, are not available in SLID. In this descriptive analysis, we use weighted data to provide an approximation of the differences for the total population.

Our assumption is that, unlike age at completion of post-secondary schooling, age at entry into full-time work would be younger for those with lower socio-economic status. That is, persons whose parents have lower education would themselves have a shorter period of education, compared to those whose fathers have higher socio-economic status. This survival analysis is extended to determine how the age pattern of entry into full-time work differs by three characteristics: gender, immigration status, and visible minority status.

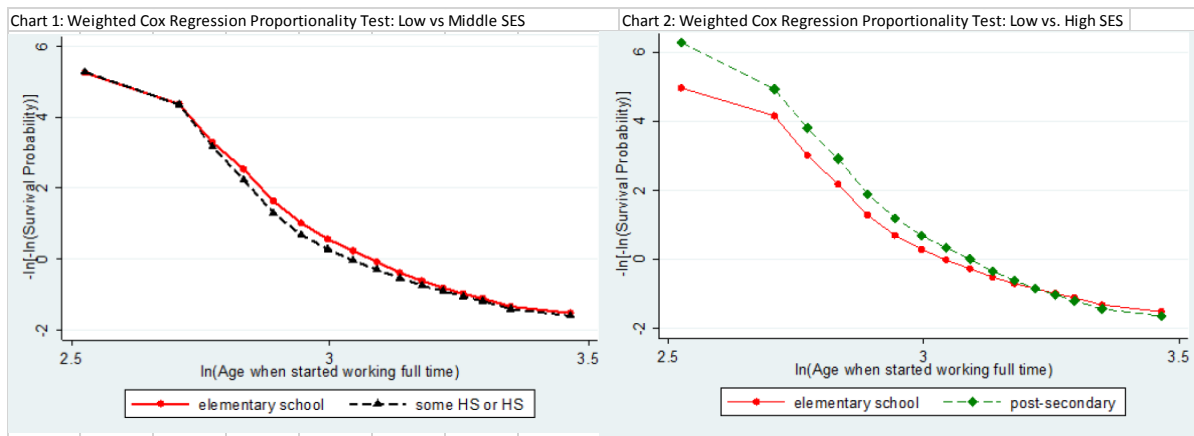
Having examined the age at entry into full-time work through survival analysis, logistic regression analysis is used to determine how the entry into full-time work differs by characteristics of individuals and the features of the communities where respondents reside. The individual characteristics included in this logistic regression analysis are gender, age, education, immigration status, and visible minority status. For community features of the place of residence, we include region and size of the area as provided by respondents. We also include community characteristics derived from the 1991, 1996, and 2001 censuses, as obtained for the appropriate panels. These community characteristics are derived from several census variables (through factor analysis) to indicate four characteristics: (1) Opportunity Structure (with highest factor loadings from Participation Rate, Employment Population Ratio, and Median Income); (2) Population Diversity (Proportion of Immigrants and Proportion of Visible Minorities); (3) Vulnerability Structure (Proportion of Recent Immigrants, Proportion of Lone Parent Families, and Proportion of Apartment Dwellers), and (4) Age Structure (Proportion of Population 65 years and older and Proportion of One Person Household) for the Census Division where the respondents reside.

For several reasons, the logistic regression analyses use unweighted data: the SLID weighting system is very complex, available statistical packages are inadequate for the use of weights in a multi-level analysis, and we lack information regarding the appropriate weights to use for community level

variables. In the discussion of the results of the regression, we focus on the relationships among variables in the sample, rather than generalizations to the population.

### Results of Survival Analysis of Age at Start of Full-time Work Using Retrospective Data

A proportionality test shows that the plots of the logarithm of age at start of full-time work by parental socio-economic status are not proportional; that is, the plots intersect for low and middle SES and for low and high SES (Charts 1 and 2). This indicates that the process of starting full-time work vary by socio-economic status.



We dealt with the non-proportionality by examining, through Cox models, the relative risks of starting full-time work for each of the parental SES using three non-time-varying covariates: gender, immigration status, and visible minority status.

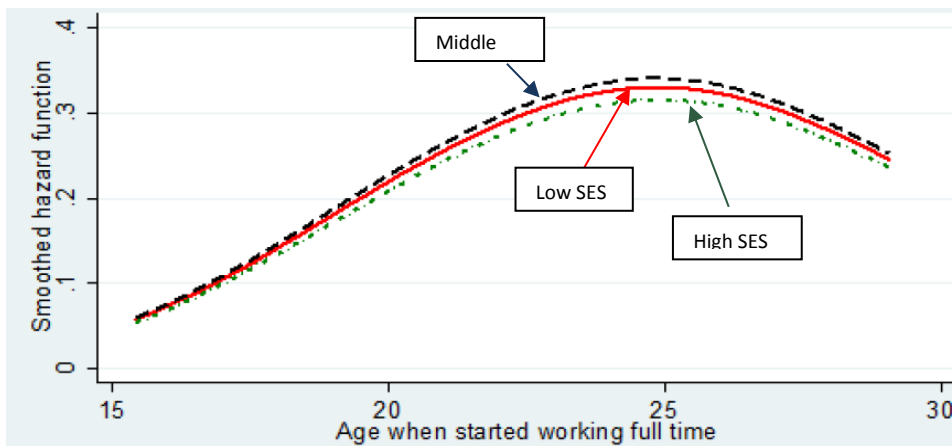
Table 1 shows that women, immigrants, and visible minorities are less likely to enter full-time work, relative to men, non-immigrants and non-visible minority respectively. The magnitudes of the effects also differ by parental SES. The differences by gender and by visible minority status are highest for those with low parental socio-economic status and lowest for those with high SES. The difference between immigrants and non-immigrants is highest in the middle SES. In each SES, persons with visible minority status are the most disadvantaged. It is also worth noting that the disadvantages associated with gender and visible minority status are lower for the high SES category.

**Table 1: Cox Model, Relative Risk of Starting Full-time Work by Socio-economic Status**

	Socio-economic Status					
	Low		Middle		High	
	Coefficient	Sig.	Coefficient	Sig.	Coefficient	Sig.
<b>Gender</b>						
Male (Ref)						
Female	-0.283	***	-0.224	***	-0.121	***
<b>Immigration Status</b>						
Non-Immigrant (Ref)						
Immigrant	-0.008		-0.201	***	-0.115	**
<b>Visible Minority Status</b>						
Non- Visible Minority (Ref)						
Visible Minority	-0.401	***	-0.310	***	-0.256	***
Aboriginal	-0.050		0.038		-0.005	
<b>N</b>	3849		10745		6658	

The results of the Cox models allowed drawing the plots of the risk of entry into full-time work by age for the reference category, namely White, non-immigrant males. Chart 3 shows that the risk for this group of young people peaks at around their mid-20s; and that the risk of full-time work entry is highest for those in the middle SES, and lowest for those in the high SES. It is possible that those with high SES have more parental support and less need to work full-time, including a longer period of education. As for the lower risk of entry into full-time work for the low SES compared to that for middle SES, a possible interpretation is that those with lower SES have more difficulty obtaining full-time work.

**Chart 3: Weighted Cox Regression Smoothed Hazard Function by Parental SES for White Non-immigrant Canadian Males**



## Results of Multi-Level Analysis of Entry into Full-time Work Using Prospective Data, by Parental Socio-Economic Status

The multi-level regression analysis examines the risk of entry into full-time work during the six-year period covered by each of the panels. For this analysis, the persons at risk are those who, at the start of the panel, have not yet started any full-time work. That is, those who have had their first full-time work before the survey are no longer considered at risk of experiencing the event and thus are no longer included in the present analysis.

As would be expected, the younger the age group, the less likely it is that they have already entered into full-time work: for instance, 73% of those aged 18-21 have not yet entered into full-time work at the start of the survey panel, but at age 26-29, only 12% have not yet done so (Table 2). The table also shows that the proportion of those who have not yet started full-time work at the start of the panel is highest (51%) for the high SES, indicating a delay of entry into full-time work. It is especially at age 22-25 that the high SES group has a lower likelihood of having started full-time work, compared to the two other SES groups.

**Table 2: Percent Who Have Not Entered into Full-Time Work at the Start of the Panel**

Age Group	Parental SES			
	Low	Middle	High	Total
18-21	64.9	70.2	80.8	73.4
22-25	25.3	28.9	44.4	33.2
26-29	13.4	10.9	13.0	12.0
<b>Total</b>	28.2	38.0	50.6	40.2

These proportions be indicators of selectivity in the early entry into full-time work based on the varying characteristics of respondents. At younger ages, those who have not yet worked full time are more likely to have access to greater resources to pursue higher education. By ages 26-29, the lack of previous entry into full-time work may represent greater challenges in getting into full-time work. This selectivity must be kept in mind when viewing the results of our analysis.

Our discussion of the multi-level analysis focuses first on the influence of the individual level characteristics, then on the characteristics of the area of residence, and lastly, on the “Panel” effects associated with specific years when respondents were in the survey.



### *Effects of Individual Characteristics*

The differences in timing of entry into first full-time work are captured by two variables, Age Group and Duration of stay of the respondent in the panel. As seen in Table 3A, for persons whose parents have middle or high SES, the longer the duration in the panel (that is, as the respondent gets older), the higher the risk of entering full-time work. However, for persons with low SES, a longer duration is not associated with a greater likelihood of entry into full-time work.

As for Age Group, those from the older groups are less likely to enter full-time work during the 6-year period of the panel. This would be an effect of selectivity, since those who are more likely to start work early would have already done so before the start of the survey. These Age Group effects are greatest for those in the middle SES who, as seen in Chart 3, have the greatest risk of entering full-time work at a younger age.

Women are less likely than men to enter first full-time work regardless of the level of SES, a finding that is not surprising to those familiar with gender differences in economic participation. Our analysis further shows that it is women from low SES backgrounds who are most disadvantaged in the probability of starting full-time work, controlling for other factors.

In all SES groups, the likelihood of entry into full-time work increases with level of education, and the magnitude of effects are large and similar across the three groups.

Compared to Whites, young visible minority Canadians are less likely to enter full-time work, but the difference is significant only in the two higher SES groups. This is an indication that the Whites are not much advantaged over the visible minorities when parents have low SES. The common knowledge that Aboriginals are not doing as well as Whites in the economic domain is not supported by the findings of our analysis, which is likely due to the exclusion of persons living on reserves from the sample and the small numbers of Aboriginal respondents.

Unlike the result from survival analysis, the multi-level regression results do not point to significant differences by immigration status. This is likely because these differences have already been captured by the visible minority status variable.

**Table 3A: Multi-level Model of Starting Full-time Work by Parental SES:  
Showing Individual Characteristics**

	Socio-economic Status					
	Low		Middle		High	
	Coefficient	Sig.	Coefficient	Sig.	Coefficient	Sig.
<b>Age Group</b>						
18-21 (ref)						
22-25	<b>-0.286</b>	***	<b>-0.291</b>	***	-0.091	
26-29	<b>-0.472</b>	***	<b>-0.763</b>	***	<b>-0.600</b>	***
<b>Duration</b>	-0.021		<b>0.080</b>	***	<b>0.164</b>	***
<b>Gender</b>						
Male (Ref)						
Female	<b>-0.583</b>	***	<b>-0.486</b>	***	<b>-0.370</b>	***
<b>Respondent's Education</b>						
Less than High School (ref)						
High School Graduate	<b>0.755</b>	***	<b>0.541</b>	***	<b>0.697</b>	***
Non-university post-sec	<b>1.530</b>	***	<b>1.320</b>	***	<b>1.375</b>	***
University degree	<b>1.633</b>	***	<b>1.486</b>	***	<b>1.636</b>	***
<b>Immigration Status</b>						
Immigrant (Ref)						
Non-Immigrant	-0.069		-0.163		-0.029	
<b>Visible Minority Status</b>						
Non- Visible Minority (Ref)						
Visible Minority	-0.248		<b>-0.408</b>	***	<b>-0.320</b>	***
Aboriginal	0.192		0.055		-0.186	
<b>Constant</b>	-0.931	***	-1.029	***	-1.549	***
Log likelihood	-1794.7	***	-6227.5	***	-5192.4	***
Number of Observations	3077		9711		8102	

Significance levels: \*\*\*p<.01; \*\*p<.05

### *Effects of Characteristics of Areas of Residence*

As mentioned in the Methodology, a multi-level analysis has been included, based on the indicators of areas of residence and community characteristics derived from the census data.

Immediately apparent from Table 3B is that the location and characteristics of the areas of residence do not have a significant effect on the entry into full-time work among young Canadians with low SES. In contrast, for those with middle and high SES, region has significant effect: compared to young people in Quebec, those in the rest of Canada have greater likelihood of entry into full-time work. For those with middle or high SES, the positive coefficients are highest in the Prairie Region.

The other indicators of community level characteristics largely do not have a significant impact on youth's entry into full-time work. For the middle and high SES groups, those living in the largest CMAs

have the most opportunities and the effect is statistically significant for the middle SES group. Living in communities with higher proportion of vulnerable people delays the entry into full-time work, though the effect is statistically significant only for the youth in the high SES group.

**Table 3B: Multi-level Model of Starting Full-time Work by Parental SES:  
Showing Characteristics of Area of Residence**

	Socio-economic Status					
	Low		Middle		High	
	Coefficient	Sig.	Coefficient	Sig.	Coefficient	Sig.
<b>Region</b>						
Quebec (Ref)						
Atlantic	0.247		<b>0.398</b>	***	<b>0.610</b>	***
Ontario	0.231		<b>0.387</b>	***	<b>0.399</b>	***
Prairies	0.221		<b>0.593</b>	***	<b>0.643</b>	***
British Columbia	0.370		<b>0.528</b>	***	<b>0.418</b>	***
<b>Area Size</b>						
Rural Areas (Ref)						
CA: 0 to 29,999	-0.142		0.092		0.151	
CA: 30,000 to 99,999	0.058		-0.023		-0.034	
CMA: 100,000 to 499,999	-0.122		0.035		-0.012	
CMA: 500,000 and higher	-0.014		<b>0.242</b>	**	0.104	
<b>Community Characteristics</b>						
Opportunitie Structure	0.056		0.028		0.038	
Population Diversity	-0.010		-0.045		-0.009	
Vulnerability Structure	-0.038		-0.045		<b>-0.088</b>	***
Population Age-Structure	-0.039		-0.010		0.043	
<b>Constant</b>	-0.931	***	-1.029	***	-1.549	***
Log likelihood	-1794.7	***	-6227.5	***	-5192.4	***
Number of Observations	3077		9711		8102	

Significance levels: \*\*\*p<.01; \*\*p<.05

### *Effects of the Survey Panel*

The Panel variable is an indicator of the period during which given respondents were surveyed, however there are overlapping years. For example, Panel 1 covers the period 1993-1998 and Panel 2, 1996-2001; that is, both panels cover 1996-1998. This means that the trend over time is not exactly captured by the Panel variable, though it does provide a rough approximation of the trend of the impact of the economic situation over the years covered by the survey.

As can be seen in Table 3C, the period effects differ by parental SES, with youth from middle and high SES being more affected by period economic conditions. It is youth from middle and high SES who were

more affected by the negative conditions in the late 1990s and the positive conditions of the 2005-2010 period (statistically significant only for the middle SES).

**Table 3C: Multi-level Model of Starting Full-time Work by Parental SES:**

Showing Panel

	Socio-economic Status					
	Low		Middle		High	
	Coefficient	Sig.	Coefficient	Sig.	Coefficient	Sig.
<b>Panel</b>						
Panel 1 (1993-1998) (Ref)						
Panel 2 (1996-2001)	-0.101		<b>-0.186</b>	**	<b>-0.366</b>	***
Panel 3 (1999-2004)	-0.051		-0.046		<b>-0.203</b>	***
Panel 4 (2002-2007)	0.304		0.124		-0.125	
Panel 5 (2005-2010)	0.299		<b>0.277</b>	***	0.046	
<b>Constant</b>	-0.931	***	-1.029	***	-1.549	***
Log likelihood	-1794.7	***	-6227.5	***	-5192.4	***
Number of Observations	3077		9711		8102	

Significance levels: \*\*\*p<.01; \*\*p<.05

Economists have tracked the trends in labour force participation by age groups in greater detail than we have done here (Galarneau, Morissette and Usalcas, 2013; Morissette, Hou, and Schellenberg, 2015). The factors cited for the period effects on the young are the trends over time in the proportion pursuing post-secondary education and the changes in availability of full-time employment. Our findings suggest that it is youth from higher SES who are more likely to handle difficult economic prospects by continuing longer in post-secondary education.

### Results of Multi-Level Analysis of Entry into Full-time Work Using Prospective Data, by Age Group

As noted, our multi-level analysis included young Canadians aged 18-29 at the start of each panel to examine the influence of parental SES on the transition to full-time work. However, this age group encompasses 12 years, a range that is wide when examining transition to full-time work, especially when the analysis is confined to people who have not yet experienced the event. The proportion who would have started full-time work before the survey would have been greater among the older than among younger people. Thus, we further performed multi-level analysis by smaller age groups, namely, age group 18-21 when many would be enrolled in higher education, age group 22-25 when many would have completed their education and be ready to enter the work force, and age group 26-29 when most would already have transitioned to full-time work. We envisioned that the effects of parental and individual characteristics, as well as the features of the areas of residence, would differ by these narrower age groups.

*Effects of Parental SES and Individual Characteristics*

An interesting finding shown in Table 4A is that the effect of parental SES, the focus of this study, is statistically significant only for the youngest age group, 18-21. As seen in the descriptive part of our analysis, young people in the middle SES are the most likely to enter full-time employment and this part of the analysis further refines the finding showing that this effect mainly happens at the youngest age.

**Table 4A: Multi-level Model of Starting Full-time Work by Age Group:  
Showing Parental SES and Individual Characteristics**

	Age Group					
	18-21		22-25		26-29	
	Coefficient	Sig.	Coefficient	Sig.	Coefficient	Sig.
<b>Socio-Economic Status</b>						
Low (ref)						
Middle	<b>0.176</b>	***	0.100		-0.056	
High	0.018		0.067		-0.174	
<b>Duration</b>	<b>0.178</b>	***	<b>0.076</b>	***	<b>-0.180</b>	***
<b>Gender</b>						
Male (Ref)						
Female	<b>-0.373</b>	***	<b>-0.556</b>	***	<b>-0.676</b>	***
<b>Respondent's Education</b>						
Less than High School (ref)						
High School Graduate	<b>0.652</b>	***	<b>0.667</b>	***	<b>0.508</b>	***
Non-university post-sec	<b>1.373</b>	***	<b>1.554</b>	***	<b>0.984</b>	***
University degree	<b>1.479</b>	***	<b>1.706</b>	***	<b>1.089</b>	***
<b>Immigration Status</b>						
Immigrant (Ref)						
Non-Immigrant	-0.050		-0.006		-0.153	
<b>Visible Minority Status</b>						
Non- Visible Minority (Ref)						
Visible Minority	<b>-0.515</b>	***	-0.141		-0.091	
Aboriginal	-0.030		0.148		-0.002	
<b>Constant</b>	<b>-1.577</b>	***	<b>-1.657</b>	***	<b>-0.737</b>	***
Log likelihood	<b>-8478.7</b>	***	<b>-3306.8</b>	***	<b>-1349.5</b>	***
Number of Observations	13274		5239		2377	

Significance levels: \*\*\*p<.01; \*\*p<.05

The Duration variable, indicating the length of stay in the panel, has significant effects in all three age groups, although interestingly, the effect is positive in the two younger age groups and negative for the oldest. The positive effect indicates that as the person gets older, there is a greater likelihood of entering full-time work. However, for the oldest age group, selectivity may be at play in that those who

had not entered full-time work before the start of the panel may have greater than average challenges (for example, health problems) in joining the workforce.

Women's entry into full-time work is later than men's, and the differences are greater in older age groups, possibly an indication that family roles become more salient as the women get older. Likewise, compared to Whites, the likelihood of transition to full time work is lower among youth with visible minority status, but this is statistically significant only for the youngest age group. This implies that it is mostly the younger segments of youth from visible minorities who face more challenges in entering full-time work or are more likely to be pursuing higher education. Finally, education has the strongest effect, with more educated youth from all three age groups being more likely to enter full-time work.

#### *Effects of Characteristics of Areas of Residence*

Table 4B indicates that effect of location is greatest among those in age group 18-21, with those living in the regions outside of Quebec having higher likelihood of entering into full-time work, particularly in the Prairie region and in British Columbia. For the 22-25 age group, the positive effect is greatest in the Prairie region. This possibly reflects a greater preference for work rather than education when opportunities are available at younger ages.

The effects of Opportunity Structure are not statistically significant possibly because the influence of available opportunities is better captured by the region variable. As for both Population Diversity and Vulnerability Structure, the negative effects are statistically significant in the youngest age groups, implying that young people in these communities may be facing greater barriers in getting into full-time work, or that youth facing these circumstances are more likely to opt for more education rather than entering the work force.

**Table 4B: Multi-level Model of Starting Full-time Work by Age Group:  
Showing Characteristics of Area of Residence**

	Age Group					
	18-21		22-25		26-29	
	Coefficient	Sig.	Coefficient	Sig.	Coefficient	Sig.
<b>Region</b>						
Quebec (Ref)						
Atlantic	<b>0.594</b>	***	<b>0.248</b>	**	0.292	
Ontario	<b>0.438</b>	***	<b>0.272</b>	**	0.233	
Prairies	<b>0.717</b>	***	<b>0.328</b>	***	0.362	
British Columbia	<b>0.658</b>	***	0.272		0.063	
<b>Area Size</b>						
Rural Areas (Ref)						
CA: 0 to 29,999	0.016		0.104		0.219	
CA: 30,000 to 99,999	-0.093		0.085		0.190	
CMA: 100,000 to 499,999	-0.098		0.156		-0.032	
CMA: 500,000 and higher	0.091		0.229		0.099	
<b>Community Characteristics</b>						
Opportunity Structure	0.049		0.044		0.041	
Population Diversity	<b>-0.043</b>	**	-0.019		0.070	
Vulnerability Structure	<b>-0.068</b>	***	<b>-0.088</b>	**	0.110	
Population Age-Structure	0.017		-0.046		-0.012	
<b>Constant</b>	<b>-1.577</b>	***	<b>-1.657</b>	***	<b>-0.737</b>	***
Log likelihood	<b>-8478.7</b>	***	<b>-3306.8</b>	***	<b>-1349.5</b>	***
Number of Observations	13274		5239		2377	

Significance levels: \*\*\*p<.01; \*\*p<.05

### *Effects of the Survey Panel*

Keeping in mind that the Panel variable provides only a rough approximation of the influence of the country's economic situation for the years covered by the survey, Table 4C shows that the general trend in the likelihood of first entry into full-time work for all three age groups is roughly U-shaped; that is, a decrease until the late 1990s, then an increase until the end of the survey in 2010. The difference in the magnitude of the coefficients is noteworthy, with the positive trend being stronger and starting earlier in the two older age groups (though statistically significant only in the age group 22-25).

**Table 4C: Multi-level Model of Starting Full-time Work by Age Group:  
Showing Panel**

	Age Group					
	18-21		22-25		26-29	
	Coefficient	Sig.	Coefficient	Sig.	Coefficient	Sig.
<b>Panel</b>						
Panel 1 (1993-1998) (Ref)						
Panel 2 (1996-2001)	<b>-0.265</b>	***	<b>-0.180</b>	**	-0.142	
Panel 3 (1999-2004)	-0.087		0.000		-0.196	
Panel 4 (2002-2007)	-0.002		0.166		0.187	
Panel 5 (2005-2010)	<b>0.149</b>	**	<b>0.308</b>	***	0.275	
<b>Constant</b>	-1.577	***	-1.657	***	-0.737	***
Log likelihood	-8478.7	***	-3306.8	***	-1349.5	***
Number of Observations	13274		5239		2377	

Significance levels: \*\*\*p<.01; \*\*p<.05

## Summary

The results of our analysis show that the young with middle SES parents get into full-time work at younger age than those with low or high parental SES. Parental SES makes a difference in the influence of individual level characteristic. Age (indicated by duration of stay in the panel) increases the likelihood of entry into full time work and visible minorities have lower odds than the Whites; however, these effects are significant only for those with middle and high parental SES. And, while women have lower likelihood of getting into full-time work than men for all three parental SES groups, the gender difference is greatest in the low SES and smallest in the high SES. The effect of education is an exception in that it has a positive impact for all parental SES groups, and its magnitude does not systematically vary with parental SES.

The effects of communities and areas of residence also vary by parental SES. Compared to Quebec, the youth in the rest of Canada have greater likelihood of getting full time work, with the youth in the Prairies showing the greatest odds; however, these differences by regions are statistically significant only for those with middle and high SES. The negative effect of living in vulnerable communities is significant only for the youth in high SES. And, only the youth with middle and high SES were significantly influenced by the economic conditions in the survey years showing a decline from around the latter part of the 1990s and an increase from around 2005 in the likelihood of getting into full-time work.

In general, the effects of the individual- and community-level variables occur at younger ages. It is only in the case of three variables where the effects are significant for all three age groups, 18-21, 22-25, and 26-29: the duration of stay in the panel, which is positive in the younger age groups but negative in the oldest; the difference by gender with the gap increasing with age groups; and the positive effect of education with a magnitude that does not systematically vary with age groups.



## Discussion and Conclusion

In this study, we used the perspective of the “long arm of demography”, which posits that parental and societal investment have consequences over generations. Other research has shown that when young people make early transitions to family life, without undergoing adequate training and education and without obtaining stable employment, the risk of unstable family life is greater, with continuing adverse consequences for their own children (Bianchi, 2000; Lochhead, 2000; Kiernan, 2002; Ravanera and Rajulton, 2006; Beaujot and Ravanera, 2008). The life course perspective also proposes that lives are linked and that lives unfold in historical context. Keeping these viewpoints in mind, we analyzed the influences of parental SES and characteristics of communities on the entry into first full-time work.

Many of our findings are like the results of other studies that have used other indicators of economic outcomes. As in other studies, we also find that women, visible minorities, and immigrants are more likely to be disadvantaged, people with higher education have better chances, and that the likelihood of full-time employment is greater in places with greater opportunities, such as those in regions with oil-producing provinces.

At the same time, with analyses of both retrospective and prospective data, the present study has provided further insight into the economic conditions of Canadian youth. Young people whose parents are from the middle SES group (with parental SES measured by father’s education) have the highest probability of entering full time work, though the reason why they differ from those in low SES may be different from the reason why they differ from those in high SES. Pursuit of higher education may be the differentiating factor between the middle and high SES; whereas varying abilities in obtaining full-time work may be the reason for the difference between people in low and middle SES.

Our analysis also brought out important differences in magnitudes of the effects. We showed that the disparities between young men and women are greater among those with low parental SES, a finding consistent with intersectionality of inequalities. We also found that the gender difference increases with age, which could most likely be attributed to the greater family roles that women undertake as they grow older, with the higher prevalence of having partners and children.

We have also found that the visible minority status of youth has more negative effects at middle and high parental SES. Among those with low parental SES, the young visible minority Canadians are disadvantaged in comparison to Whites but the difference is not statistically significant, possibly indicating that they do not encounter as much barriers in lower skill jobs. In contrast, the bigger disparity by visible minority status for young people in the middle and high SES is possibly an indication of greater challenges in seeking high-skilled and better paying jobs, with the challenges mainly faced at younger ages (as shown by the significant negative effect of visible minority status for age group 18-21). It could also be that youth from visible minorities are more likely to pursue further education rather than enter the full-time labour force.

The opportunity structure of communities did not show much significant effect on the entry into full time work of young adults. It could be that job opportunities at the Census Division level do not have much variation or do not have much influence; that is, it is the conditions, such as employment

opportunities, at the provincial or regional levels that have impact on the youth's entry into full time work. Two community characteristics - Population Diversity (indicated by high proportions of immigrants and visible minorities); and Vulnerability Structure (indicated by high proportions of recent immigrants, lone parent families, and apartment dwellers) - possibly capture lower levels of available community resources. Given that these characteristics only have significant effects at the youngest ages, this may indicate that community support is most needed at these ages.

In sum, our finding that the effects of most of the individual and community characteristics are on youth with middle and high SES signifies that parental resources provide greater choices in work entry (as well as in education), which are particularly important around ages 18 to 25. Conversely, the lower level of resources and support for the youth with low parental SES constrains their opportunities for work and education.

An important limitation of this study is that it has not simultaneously studied the two sometimes competing youth economic activities of pursuing education and entry into full-time work. This would first require the merging of the SLID "person file" and the "education certificate file".

It should also be noted that the Survey of Labour and Income Dynamics includes minimal information about the respondents' parents and their investment in children. Other surveys such as the 2011 General Social Survey on the Family have more information on parents, including whether the respondent grew up in a lone parent family; however, unlike SLID, the GSS does not permit a longitudinal analysis. For further analysis on this topic, a promising survey is the Longitudinal and International Study of Adults (LISA) which "collects information from people across Canada about their jobs, education, health and family ... [and] in how changes in these areas have affected people's lives" (Statistics Canada, 2015). A longitudinal analysis, albeit covering a short period from 2011 to 2014, has become possible as LISA's second wave (conducted in 2014) was released in May 2016.

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