EC481 Data Set

Immigration and the Canadian Economy

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Oct. 8th, 2020

*Introduction*

A major focal point discussed in world news currently revolves around racial tension and social justice issues. Everywhere around the world many people are experiencing discrimination, racism, and overall, unfair treatment due to the colour of their skin. Due to negative and false portrayal in the media or just pure ignorance, immigrants are stereotypically, looked at negatively. For instance, it is regularly said that immigrants are responsible for coming into countries and “stealing jobs” away from domestically born citizens. The presumption is that this in turn, will hurt the overall nation’s economy, when in reality, this is quite false. Therefore, this research paper aims to break all of these stereotypes by showing a a positively correlated causal relationship between immigration and economic growth. More specifically, the country of Canada will be studied in order to see the effects of immigration on Canadian economic growth. As a cultural mosaic who has encompassed its diversity, Canada should be a great representation of the impact of immigration and economic growth. Canadian economic growth will be measured in real GDP per capita in order to fully assess the effects of immigration. Therefore, the research question posed will remain as followed: How does immigration effect Canadian economic growth?

*Data Section*

1. Dependant Variable

The dependant variable that will be used is Real GDP per capita.

1. Main Explanatory Variable

The main explanatory that will be used is the Immigration growth rate.

1. Three Control Variables

Three control variables that will be used include the province fixed effect, the time fixed effect, as well as educational attainment.

1. Economic Rationale

The two variables real GDP and Immigration growth rate are the main focus for my research question and will be regressed more accurately using the certain three control variables. The purpose of the data is to examine the effects that immigration will have on real GDP. The range of the data will cover yearly and by province through the years of 2006 – 2019. By viewing the results of the regression, I hope to see a positively correlated causal effect between immigration and economic growth (Real GDP per capita). It will also be important to control for province, time, and educational attainment as all these factors can cause bias in the results. Provincial and time fixed effects will be crucial to implement in the regression as to try to avoid a possible reverse causality. Certain provinces at certain time periods may be more prosperous economically, which cause migrants to move to this area. This reverse causality problem will try to be minimized by using these control variables and keeping account for this issue.

1. Data Source

StatCan