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CANADIAN IMMIGRATION POLICY AND MIGRANT RESPONSE TO LABOUR MARKET CONDITIONS*

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Résumé—Dans cet article, nous avons concentré notre attention sur l'aptitude différentielle des étrangers à réagir aux conditions du marché du travail avant et après les changements dans la politique canadienne de l'immigration durant les années 1960. Nous avons inclu trois politiques nommément: les règlements modifiés en 1962 et en 1967, l'ouverture de nouveaux bureaux d'immigration et l'union main-d'oeuvre/immigration. L'immigration est subdivisée par territoire expéditeur: Le Royaume Uni et la France, l'Afrique, l'Asie, l'Amérique du Sud et l'Amérique Centrale et l'Europe continentale la France non comprise.

Abstract—The paper focuses on the differential ability of foreigners to respond to Canadian labour market conditions by immigrating before and after the changes in Canadian immigration policy during the 1960s. Three policies are included: changed regulations in 1962 and 1967, the opening of new immigration offices, and the marriage of manpower and immigration. Immigration is subdivided by sending area: United Kingdom and France, Africa, Asia, South and Central America, and continental Europe excluding France.

Key words—**immigration response, labour market conditions**

The Policy

This paper has as its origin the change in the Federal Government's immigration policy in 1962 and the further extension of this policy in 1967. Wilson and Lithwick put the point in 1968 (Wilson and Lithwick, 1968, 63-64):

> The rationale of past policy (immigration policy) with respect to the quotas imposed on nationals of particular countries clearly did not involve the achievement of primarily economic objectives. . . . The immediate and obvious result of the constrained function of the past has been a sub-optimal inflow of immigrants. . . . The impact of change in the demand for labour upon immigration has been limited by these constraints. . . .

This quotation needs to be taken in the context of Canadian immigration regulations since, as is argued later, quotas were not imposed on all. People from the U.S., the U,K., and Europe were admissible according to Canada's labour requirements. The quotas were imposed on particular countries, especially the Asian ones, and indeed, given the location of immigration offices, only the Europeans and people in the U.S. could be considered as being able to respond to labour needs in Canada. The most important aspect of both the 1962 and 1967 changes in policy was to make immigration less sub-optimal; this is evident from the remarks by the Honourable Ellen Fairclough, Minister of Citizenship and Immigration, in 1962 (Fairclough, 1962, 1-2):

> The new regulation 31 lays primary stress on education, training and skills as the main condition of admissibility, regardless of the country of origin of the applicant. . . . Any suitably qualified person, from any part of the world, can be considered for immigration to Canada entirely on his own merits. . . .

This paper tests to see if the contents and administration of immigration policy following the 1962 announcement have made immigration more responsive to labour market conditions in Canada. Three policy changes are grouped, namely, the new regulations of 1962 and 1967, the joining of manpower and immigration in one department, and the opening of new immigration

offices in the so-called Third World countries. This issue of responsiveness is important from at least two perspectives. First, if immigration has become in a sense more responsive to labour market conditions since 1962 and if this is desirable both from Canada's and the migrants' viewpoint, then it may not be necessary to introduce direct global and/or regional quotas as the recent Green Paper on Immigration suggests (Canada. Department of Manpower and Immigration, 1974a, 44-46). This has been one of the most contentious issues during the debate over new immigration policy for Canada and it would be helpful to remove it from the area of consideration by showing that labour markets and immigration can be united without quotas. Second, it is likely to be the non-European countries that would benefit from the policy changes outlined above; other areas have been well served in the past. This would mean that a greater proportion of Canada's immigrants would come from Asia, Africa, South and Central America including the West Indies. This will, for some, bring with it stresses and strains of a social, economic, and perhaps political nature; they may be resisted or they may be adapted to, but they will be there in a country like Canada which is used to North American and European immigration. It may still be a mosaic, but it is changing due to the policy changes mentioned above.

Immigration and the Labour Market

Since this paper is not interested in developing the determinants of Canadian immigration, the job opportunity model is accepted as appropriate for testing the responsiveness to labour market demand before and after 1962. This is not to say that the issues around the migration pattern are solved, but only that this model has received support from recent studies in the Canadian immigration area (Vanderkamp, 1971; Parai, 1965; Marr, 1973; Wilkinson, 1970).

The behavioural hypothesis is the following: an increase in job opportunities or an improvement in Canadian labour market conditions induces and allows more immigrants to come to Canada. The rationale for this hypothesis is two-fold. First, if labour market conditions are a proxy for the probability of finding employment in Canada, an improvement in labour market conditions raises the probability of finding work and therefore increases Canadian immigration. Second, the Canadian immigration authorities tie immigration to job opportunities in Canada by removing categories of admissible people from the sponsored category when labour market conditions worsen and by delaying entry during similar conditions. For both reasons, immigrants "respond" to Canadian labour market conditions. It is assumed that since most Canadian immigrants come from countries with real per capita incomes lower than in Canada, fluctuations in Canadian real income per capita has little impact on shifting the supply curve of immigrants. The one exception to this latter statement is immigrants from the United States; this would entail a modification of the model to take account of the higher per capita income of that country. Alternatively, it is decided to omit the United States from this study and to concentrate on immigrants from other areas. In the current debate over Canada's immigration policy, it has not been the U.S.-born immigrants that have been an issue; it is therefore thought desirable to concentrate on European, Asian, African, and South and Central American immigrants. Empirical studies have not shown consistent results for the effect of incomes on Canadian immigration (Helliwell, 1971; Parai, 1965; Marr, 1973). Following the formulations of other studies, the relationship between labour market conditions and immigration is assumed linear; this functional relationship may be represented as follows:

$$(IMM)_t = A_0 + A_1 \left(\frac{1}{U_c}\right)_t, \tag{1}$$

where IMM is Canadian immigration at period t and U_c is the Canadian unemployment rate at period t; the dependent variable is absolute immigration and U_c represents the slackness of the

labour market; the hypothesis postulates that A_1 will be positive. The independent variable appears in reciprocal form to indicate that job opportunities rise more than proportionately as labour market conditions improve.

Note that the labour market variable appears with a zero time lag. This is not to suggest that changes in labour market conditions and changes in immigration are instantaneous, but that for annual data studies the time lag is short enough to be ignored. Parai's work with quarterly data suggests that this is true; he finds that the most appropriate lags are less than one year and that the time span during which much of the lag extends itself is short (1965, 80-93).

In the case of immigration from industrialized nations (i.e., Europe), it seems appropriate to modify expression (1). It is assumed that these people compare labour market conditions at home with labour conditions in Canada; potential migrants are not waiting to immigrate when labour market conditions improve in Canada since at times job opportunities may be more favourable at home. The relationship for Canadian immigrants from Europe is as follows:

$$(IMM)_t = A_0 + A_1 (\frac{1}{U_c})_t + A_2 (\frac{1}{U_e})_t, \quad (2)$$

where U_e is labour market conditions in the sending area; the calculations of U_e will be described later. Note that U_e appears in reciprocal form.

The rest of this paper asserts that the response of immigration to labour market slackness is likely to have been different in years after 1961; it is necessary to "test" if A_0, A_1, and A_2 take on different values after these years.

Immigration Policy in the 1960s

Since 1962 the Canadian government attempted to use an admittance system in selecting migrants which stressed "economic factors" like education, training, and job opportunities rather than origin of the immigrant. This means that the discretion left to the individual who decides on entry is altered away from "ethnic" bias as the regulations apply to all regardless of place of last permanent residence, provided they are of good health and have some skill and training. Admission for permanent residence could be granted to (Dominion Bureau of Statistics, 1965, 205):

> anyone, regardless of origin, citizenship, country of residence, of religious belief, who is personally qualified by reason of education, training, skills, or other special qualifications.

Further changes in the regulations implemented in 1967 introduced a scoring system for admission in which an "independent applicant" is required to obtain 50 out of a possible score of 100 assessment units in order to gain admission (Dominion Bureau of Statistics, 1969, 202-204; Hawkins, 1972). The assessment system stresses first good health and moral standing and then takes account of the following factors: education and training, the applicant's adaptability, motivation, initiative, etc., occupational demand and skill, age, arranged employment, knowledge of French and English, relatives in Canada, and employment opportunities in the area of destination.

Two other policy changes are relevant to migrants' ability to respond to Canadian labour market conditions. First, the Tremblay and Sedgwick Reports suggested that the immigration area in Ottawa be reorganized in an attempt to improve efficiency. This led to the establishment of the new Department of Manpower and Immigration in 1965. If efficiency did improve, response to conditions in Canada would be enhanced. Second, between 1962 and 1967 new Canadian immigration offices opened in Lebanon, Egypt, Pakistan, Japan, Trinidad, and Jamaica. This made it easier for potential immigrants to obtain information about Canada and to apply for entry.

The three policy changes remove obstacles which prospective migrants face if they are not living in the United States, the United Kingdom, or France, and make it easier for them to respond to labour demand conditions in Canada. It is hypothesized that A_1 in expression (1) and, A_1 and A_2 in expression (2) are numerically larger after 1961 than before as constraints on the migration function have been removed. The year 1962 is picked as the start of the policy changes because while it may be argued that they were announced and known, therefore, in advance, it may also take time to fully bring them into practice. Also, the discontinuities in immigration from Asia and South and Central America occur in 1963 (see Table 1). It is also possible that A_0, the constant term, may also have higher values after 1961; A_0 represents the random factors which cause immigration; it is likely that the response to any of these events will also be greater if "ethnic" bias is eliminated and new offices are opened; it is hypothesized that A_0 is larger after 1961.

Table 1 presents raw immigration data for the time period and the sending areas used in the empirical work later. For this analysis, three observations from the table seem pertinent. First, readers familiar with Canada's labour market variations, and in particular the unemployment rate, since 1956 will note a rough relationship between it and total immigration. Canada's unemployment rate was relatively low in 1956 and 1957, rose from 1958 to 1961, fell from 1962 to 1966, and then rose again after that. Second, while the major sending areas have been the U.K. and continental Europe, the proportion from Asia, Africa, and South and Central America has increased especially since 1962. If immigrants from these latter areas respond to labour market conditions after 1961, then this upsurge in their proportion is partly due to the three policy changes. Third, the number of immigrants from Asia and South and Central America, in particular, show a discontinuity around 1962; this is to be expected if they are now able to respond to labour market conditions and these are improving. By 1969, the totals for Asia and South and Central America surpass those from the U.K. and France. It is this fact which has concerned some Canadians and led to a great deal of heat in the immigration debate.

To test these hypotheses, the relationships may be written as:

$$(IMM)_t = A_0 + A_1 Z_t + A_2 \left(\frac{1}{U_c}\right)_t + A_3 \left(\left(\frac{1}{U_c}\right)_t Z_t\right) \tag{3}$$

$$(IMM)_t = A_0 + A_1 Z_t + A_2 \left(\frac{1}{U_c}\right)_t + A_3 \left(\left(\frac{1}{U_c}\right)_t Z_t\right) + A_4 \left(\left(\frac{1}{U_c}\right)_t Z_t\right) + A_t \left(\frac{1}{U_c}\right)_t \tag{4}$$

where Z_t tests for the shift in the constant and slope coefficients. It may be assumed that the policy changes had a constant impact on an immigrant's responsiveness to labour market conditions after 1962; in this case, Z_t takes the value of one for years after 1961 and zero for years before 1962. However, the changes made in 1967 may be differentiated from those in 1962 by having Z_t take a value of 0.5 for 1962 to 1966, and a value of one thereafter; this is based on the assumption that the 1967 change routinized the 1962 policy changes and so more clearly indicated the direction of Canadian immigration policy. Both formulations for Z_t are tested below. It would be possible to include two separate policy shift variables, one for 1962 and another for 1967. This would seem most appropriate if the two years represented separate and distinct policies, but in effect the changes in 1967 should in some part be regarded as extensions of the 1962 policies; therefore the study uses one variable which is augmented in 1967. Also, in the case of South and Central America, the enhanced response after 1966 represents the effect of new immigration offices in that area. If A_1, A_3, and/or A_4 are significantly different from zero, then a shift occurred in the constant and/or slope coefficient after the policy changes.

Whether A_1, A_3, and A_4 are significant after 1961 depends on the country of emigration. The "ethnic" bias and new offices have not applied to immigration from the United Kingdom

TABLE 1. CANADIAN IMMIGRATION BY COUNTRY OF LAST PERMANENT RESIDENCE, 1956-1971

Year	U.K. and France	Europe (excl. U.K. and France)	Africa	Asia	South and Central America	Total (excl. U.S.)
			(in thousands)			
1956	54.2	92.1	1.1	2.8	2.9	155.2
1957	114.9	143.6	3.0	2.3	3.9	271.2
1958	27.5	75.6	1.4	3.4	3.7	114.0
1959	20.4	66.0	.8	3.5	3.2	95.6
1960	22.5	62.2	.8	2.2	3.3	92.8
1961	14.2	38.9	1.1	1.7	2.7	60.2
1962	18.3	36.4	2.2	1.7	2.9	62.9
1963	28.2	42.1	2.4	2.4	4.4	81.5
1964	33.8	50.2	3.9	4.9	4.7	100.0
1965	45.1	64.7	3.2	8.2	5.9	131.7
1966	71.2	79.8	3.7	8.7	6.9	177.2
1967	72.5	91.1	4.6	14.1	12.1	203.8
1968	46.1	78.3	5.2	15.4	10.8	163.6
1969	37.5	53.1	3.3	18.0	18.7	138.7
1970	30.9	46.9	2.9	15.7	18.3	123.3
1971	18.4	35.3	2.8	16.3	16.7	97.5

Source: Various issues of *Immigration*.

and France at any time since the mid-1950s; A_1, A_3 and A_4 in expression (4) should be insignificant, and so expression (2) applies to the entire period since the mid-1950s. It was predicted above that the policies should increase immigration from other areas and make it more responsive to labour market demand changes in Canada; therefore A_1 and A_3 in expression (3) should be positive and significant in relationships for other countries.

Statistical Results

Relationships like expressions (3) and (4) are estimated for the period 1956 to 1971 on annual data using the ordinary least squares regression technique. The year 1956 is chosen simply because it allows for a convenient number of years to elapse before the changes start to occur in 1962; six years are long enough against which to contrast the post-1961 period, although it is admitted that this is somewhat arbitrary. Since the study tries to assess immigrant response to labour market conditions before and after 1962, 1972 and after are omitted. The year 1972 introduces the amnesty problem which is difficult to deal with in this analysis; 1973 and 1974 saw further changes in regulations which while interesting in their own right, should not cloud the issue of the changes in the 1960s. (Canada. Department of Manpower and Immigration, 1974b, 35-37, 47). Five subgroups are estimated based on source of immigration: United Kingdom and France; Europe excluding the United Kingdom and France; Africa, Asia; South and Central America including the West Indies.

A statistical factor becomes apparent early in the testing. There is a high degree of collinearity between Z_t and $((1/U_c)t\ Z_t)$; as a result expressions (3) and (4) are not estimated. For each of the non-European subgroups, three expressions are estimated:

$$(IMM)_t = A_0 + A_2 \left(\frac{1}{U_c}\right)_t \tag{5}$$

$$(IMM)_t = A_0 + A_1\ Z_t + A_2 \left(\frac{1}{U_c}\right)_t \tag{6}$$

$$(IMM)_t = A_0 + A_2 \left(\frac{1}{U_c}\right)_t + A_3 \left(Z_t \left(\frac{1}{U_c}\right)_t\right. \tag{7}$$

Expression (5) tests for any relationship between labour demand and immigration for the entire period 1956 to 1971; expression (6) tests for a shift in the constant term after 1961; expression (7) does the same for the slope coefficient.

For the European subgroups, four expressions are estimated:

$$(IMM)_t = A_0 + A_2 \left(\frac{1}{U_c}\right)_t + A_3 \left(\frac{1}{U_e}\right)_t \tag{8}$$

$$(IMM)_t = A_0 + A_1\ Z_t + A_2 \left(\frac{1}{U_c}\right)_t + A_3 \left(\frac{1}{U_e}\right)_t \tag{9}$$

$$(IMM)_t = A_0 + A_2 \left(\frac{1}{U_c}\right)_t + A_3 \left(\frac{1}{U_e}\right)_t + A_4 \left(Z_t \left(\frac{1}{U_c}\right)_t\right) \tag{10}$$

$$(IMM)_t = A_0 + A_2 \left(\frac{1}{U_c}\right)_t + A_3 \left(\frac{1}{U_e}\right)_t + A_5 (Z_t) \left(\frac{1}{U_e}\right)_t \tag{11}$$

The two sets of expressions are similar with the addition of a second independent variable in the European cases.

The results presented in the following tables present only the most significant findings from testing expressions (5) to (11). All the results are available from the author upon request. The relationships for Canadian immigration from the United Kingdom and France, and from other European countries require that a dummy variable for the Suez and Hungarian problems of 1957 be added to expressions (8) to (11); these problems resulted in an abnormally large number of immigrants in that year. This variable is referred to as SUEZ in the tables.

Table 2 gives the results for immigration from the United Kingdom and France. The Suez dummy variable is included, and U_e is the United Kingdom unemployment rate. The coefficients for Canadian labour market demand and the Suez Crisis are significant in all regressions at the five per cent level and have the predicted signs. The sign $(1/U_e)$ cannot be predicted *a priori;* rising unemployment in the sending areas means falling job opportunities which may induce out-migration, but only if the migrant can afford the cost of migrating. The

TABLE 2. IMMIGRATION FROM UNITED KINGDOM AND FRANCE

$$(IMM)_t = A_0 + A_1 Z_t + A_2 \left(\frac{1}{U_e}\right)_t + A_3 \left(Z_t \left(\frac{1}{U_e}\right)_t\right) + A_4 (SUEZ) + A_5 \left(\frac{1}{U_e}\right)_t + A_6 \left(Z_t \left(\frac{1}{U_e}\right)_t\right)$$

		A_0	A_1	A_2	A_3	A_4	A_5	A_6	R^2	d.w.
1.		-19.4**		355.9*		76.1*	-30.7		.903	1.64
		(-1.7)		(6.34)		(7.73)	(-1.46)			
2.	$Z_t = 1$	-19.4**	.114	355.0*		76.1*	-30.4		.903	1.64
		(-1.58)	(.015)	(4.37)		(7.12)	(-1.00)			
3.	$Z_t = 1$	-19.6**		319.7*	19.7	78.0*	-20.9		.906	1.56
		(-1.71)		(3.78)	(.58)	(7.32)	(-.76)			
4.	$Z_t = 0.5$	-15.6	-4.65	377.3*		75.2*	-42.7		.905	1.74
		(-1.14)	(-.51)	(5.27)		(7.29)	(-1.34)			

In this and the following tables, R^2 is the multiple correlation coefficient squared; d.w. is the Durbin-Watson statistic; the t-value appears in brackets below the regression coefficient. There is an indication of which form of Z_t is used in the regression; if Z_t = 1, the shift variables equal one from 1962 to 1971; if Z_t = 0.5, the shift variable equals 0.5 from 1962 to 1966 and 1 from 1967 to 1971. If d.w. indicates auto-correlation, the Cochran-Orcutt iterative technique is used and p is shown.

* Significant at the 5 percent level.
** Significant at the 10 percent level.

cost may better be borne if unemployment is falling. Thus a two-tail significance test is required; the coefficients are all negative, but not significant. Many are just insignificant. The results show that the hypotheses about A_1, A_3, and A_6 (not shown) are verified: the policy change had no significant effect on the responsiveness of immigration to labour market conditions. The regression results are the same in Z_t take the value 0.5 for the period 1962 to 1966. The negative intercept term, A_0, means literally that, if all the independent variables are zero, immigration from the U.K. and France would be negative; in other words, there would be Canadian emigration to these areas. This may be interpreted as the pull of Canadian conditions is the determining element for immigration and the push effect of conditions in the U.K. and France is unimportant. The insignificance of A_5 further supports this contention.

Table 3 contains the regression equations for Canadian immigration from Africa. Equation (1) indicates that there is a relationship between this immigration and labour demand for the entire period 1956 to 1971. Equations (2) to (5) show that this relationship is different after 1961, however. The positive signs attached to these same coefficients indicate that the hypothesis is correct: response to labour market demand is greater after 1961 than before. So even though a relationship existed throughout the entire period, the removal of the policy constraint improved the responsiveness of the migrant to Canadian conditions. In terms of whether Z_t should be differentiated, a comparison of equations (2) to (4) indicates that R^2 and the t-values are greater when Z_t takes the value one throughout.

TABLE 3. IMMIGRATION FROM AFRICA

$$(IMM)_t = A_0 + A_1 Z_t + A_2 \left(\frac{1}{U_c}\right)_t + A_3 \left(Z_t \left(\frac{1}{U_c}\right)_t\right)$$

	A_0	A_1	A_2	A_3	R^2	d.w.
1.	-.86 (-.67)		19.2* (2.95)		.587	1.54 p = .26
2. $Z_t = 1$	.037 (.040)	1.87* (4.07)	7.2** (1.53)		.645	1.77
3. $Z_t = 1$	.80 (.88)		3.1 (.63)	9.4* (4.30)	.667	1.82
4. $Z_t = 0.5$	-.49 (-.51)	2.23* (3.99)	10.8* (2.35)		.638	1.72
5. $Z_t = 0.5$	.061 (.071)		7.4** (1.72)	12.4* (4.65)	.697	2.00

Table 4 presents the results for Canadian immigration from Asia. The only significant coefficient is the constant term, indicating that there is never any relationship between the Canadian labour market conditions and Asian emigration to Canada, and that the new policies had no effect. What does this mean? It may indicate that ethnic bias remained, as always, against people from this area. It likely means that there were always more people wanting to enter Canada than would be allowed even when Canadian labour market conditions worsened.

TABLE 4. IMMIGRATION FROM ASIA

$$(IMM)_t = A_0 + A_1 Z_t + A_2 (\frac{1}{U_c})_t + A_3 (Z_t (\frac{1}{U_c})_t)$$

		A_0	A_1	A_2	A_3	R^2	d.w.
1.		50.5*		11.6		.909	1.81
		(2.17)		(.82)			p = .98
2.	$Z_t = 1$	23.9*	-.37	12.4		.907	1.72
		(2.26)	(-.17)	(.81)			p = .95
3.	$Z_t = 1$	23.4*		12.9	-1.6	.907	1.73
		(2.27)		(.78)	(-.14)		p = .95
4.	$Z_t = 0.5$	21.5*	.89	12.0		.907	1.84
		(1.98)	(.28)	(.80)			p = .95
5.	$Z_t = 0.5$	21.7*		10.2	8.5	.909	1.93
		(1.96)		(.67)	(.52)		p = .95

TABLE 5. IMMIGRATION FROM SOUTH AND CENTRAL AMERICA

$$(IMM)_t = A_0 + A_1 Z_t + A_2 (\frac{1}{U_c})_t + A_3 (Z_t (\frac{1}{U_c})_t)$$

		A_0	A_1	A_2	A_3	R^2	d.w.
1.		27.4*		5.3		.822	2.38
		(1.86)		(.28)			p = .96
2.	$Z_t = 1$	19.4**	.69	4.6		.822	2.31
		(1.72)	(.24)	(.23)			p = .94
3.	$Z_t = 1$	19.8*		3.8	2.6	.822	2.30
		(1.79)		(.17)	(.17)		p = .94
4.	$Z_t = 0.5$	3.4	12.3*	-6.0		.728	1.37
		(.94)	(5.89)	(-.35)			
5.	$Z_t = 0.5$	6.5**		-22.4	62.2*	.678	1.07
		(1.70)		(-1.17)	(5.23)		

If Asian immigration contains a large number of people in the sponsored category, then no relationship would appear because these people do not meet labour, skill, and education requirements. This group is certainly not responding as the other groups do.

At first glance, Table 5 for South and Central America seems to be like Table 4. However, the changes in 1967 as opposed to 1962 make a difference since the differentiated Z_t of regression (4) and (5) show significant coefficients of the expected signs for A_1 and A_3. One suspects that the opening of new immigration offices made a significant difference.

The last group is immigration from Europe other than France and the United Kingdom; Table 6 contains the results. The coefficients A_2, A_4, and A_5 are significant; A_5 has a negative sign indicating that higher unemployment rates in Europe cause greater European emigration to Canada. Here, U_e is the average unemployment rate of Germany and Italy. Two of the coefficients for the policy changes are often significant and have the expected sign, namely A_1 and A_3. Note, however, that A_1 is not significant even at the 10 per cent level in regression (5) and A_3 is insignificant in regression (6). The coefficient A_6 is always insignificant. While there is some support for the hypothesis about the policy shifts, it is not overwhelming. In terms of significance levels, Z_t taking a value of one throughout leads to higher t-values.

Conclusions

The main results may be summarized as follows:

(i) The policies had no differential effect on immigration from the United Kingdom and France. In view of Canada's traditional policy towards these countries, this result is expected.

(ii) As hypothesized, the responsiveness of immigration from Africa and South and Central America is different after 1962 or 1967 than before. Either immigration from these areas responded to Canadian labour market demand conditions only after 1962 or 1967, or the response after this date was greater than before that time. African immigrants differ from those from South and Central America in that the former responded to Canadian labour market conditions for the entire period.

(iii) Immigration from Europe other than the United Kingdom and France appears not to have responded differentially for the period 1962 to 1971.

(iv) Conclusion (ii) above indicates that the traditional model of labour market pull forces is more effective after 1962 as an explanation of Canadian immigration from Africa and South and Central America.

(v) Asia is a different proposition. The policy changes have no impact here and immigration from Asia does not respond to labour market conditions in Canada.

The analysis suggests a hierarchy of abilities or desires to respond to labour market conditions. Ranking is from most responsive to least responsive by sending area: the U.K. and France; other European countries; Africa; South and Central America; and Asia. It appears that quotas of sorts are still on Asian immigrants; this is not new for peoples from this area to Canada as it has a long history. Along with this issue, the other substantive aspect is the inflow from Third World countries in general; conclusions two and four point to the likely enlargement further in peoples entering Canada from these areas. This is not the place to deal with the different social and economic characteristics of people from these areas once they enter the Canadian labour market. However, it should be noted that these do differ in terms of occupations employed in, incomes earned, educational programmes enrolled in, unemployment, class of worker, etc. (Marr, 1976).

TABLE 6. OTHER EUROPEAN IMMIGRANTS

$$(IMM)_t = A_0 + A_1 Z_t + A_2 \left(\frac{1}{U_e}\right)_t + A_3 \left(Z_t \left(\frac{1}{U_e}\right)_t\right) + A_4 (SUEZ) + A_5 \left(\frac{1}{U_e}\right)_t + A_6 \left(Z_t \left(\frac{1}{U_e}\right)_t\right)$$

		A_0	A_1	A_2	A_3	A_4	A_5	A_6	R^2	d.w
1.		60.6*		198.3*		54.8*	-185.4*		.921	1.!
		(4.65)		(4.22)		(5.44)	(-5.39)			
2.	$Z_t = 1$	78.7*	12.7*	135.1*		55.5*	-247.7*		.943	1.49
		(5.38)	(2.03)	(2.58)		(6.18)	(-5.71)			
3.	$Z_t = 1$	94.2*		75.4	94.0*	56.5*	-291.0*		.952	2.07
		(5.74)		(1.26)	(2.67)	(6.88)	(-6.02)			
4.	$Z_t = 1$	69.7*		175.0*		54.1*	-227.1*	26.2	.942	1.53
		(3.44)		(2.38)		(5.19)	(-2.92)	(.06)		
5.	$Z_t = 0.5$	63.3*	4.3	190.9*		54.9*	-201.1*		.923	1.55
		(4.44)	(.56)	(3.81)		(5.30)	(-4.47)			
6.	$Z_t = 0.5$	68.1*		172.1*	44.2	55.5*	-215.9*		.929	1.63
		(4.68)		(3.30)	(1.11)	(5.56)	(-4.94)			
7.	$Z_t = 0.5$	61.1*		197.3*		54.8*	-188.6*	3.2	.921	1.54
		(4.17)		(3.93)		(5.21)	(-3.79)	(.09)		

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