

ETHNIC ENCLAVES IN URBAN CANADA:  
A comparative study of the Labour Market Experiences  
of the Italian and Jewish Communities in Toronto.

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**DEDICATION**

*To my parents,  
Ioannis John and Giannoula Jean Psihopedas*

*To my grandparents,  
Konstantinos and Antonia Koutsaris,  
and the late Dimitrios and Maria Psihopedas*

*To my one and only sister,  
Antonia Donna Psihopedas*

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## ABSTRACT

This thesis is a comparative, data-based analysis of the labour market experiences of the Italian and Jewish populations of Toronto at the end of the 1970s, beginning of the 1980s. It also provides historical and empirical information on the emergence and development of ethnic enclaves, and assesses whether such distinct enclave economies constitute channels for upward mobility for the Italian and Jewish individuals who participate in them.

The historical findings provide evidence for the distinctiveness of an enclave labour market within these two ethnic communities. The empirical evidence reveals however, that participation in the enclave economies is quite low for Toronto's Jewish and Italian communities. The evidence does not indicate that participation in the enclave is associated with either economic benefits or losses. However, informal networks and ethnic ties have strong positive effects on enclavic participation.

## RÉSUMÉ

Cette thèse est une comparaison, basée sur les résultats d'une analyse du marché du travail des populations italiennes et juives de Toronto, depuis la fin des années soixante-dix, jusqu'au début des années quatre-vingt. Elle donne aussi une information historique et empirique sur la nécessité et le développement d'enclaves ethniques, et estime si de telles économies d'enclave distincte facilitent le cheminement des individus italiens et juifs qui y participent.

Les conclusions historiques prouvent qu'une enclave du marché du travail est partie intégrante de ces deux communautés ethniques. Toute fois, les résultats empiriques démontrent que les communautés italiennes et juives de Toronto participent très peu aux économies d'enclave. Les résultats ne mentionnent pas que la participation à l'enclave dépend soit des profits ou des pertes économiques. Quoi qu'il en soit, des réseaux non réglementaires et des liens d'attaches ethniques ont des résultats forts positifs sur une participation à l'enclave.

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## INTRODUCTION: A THEORETICAL OVERVIEW

Much of the sociological literature on the labour market experiences of immigrant groups in North America explicitly assumes an assimilationist perspective. Starting with a postulated unified economy, this theoretical approach views immigrants as initially occupying positions at the bottom of the labour market hierarchy and eventually moving upward while gaining social acceptance. It emphasizes a radical change in the cultural and structural development of the groups involved. Further, it argues that in order to gain admission to the economic mainstream of the dominant group, members of ethnic groups must abandon their own folkways, while identifying with and adopting the norms of the host group (Gordon, 1964:70-71). The assimilationist perspective postulates a clear unidirectional process in which initial economic hardships and discrimination give way to gradual acceptance by the host group members. While the assimilationist perspective offers an explanation of integration into the mainstream economy, it does not account for the persistent barriers that some ethnic groups, particularly but not exclusively visible minorities, encounter in their attempt to gain entrance status into better-paid and more prestigious occupations.

Within the 'new ethnicity' perspective, scholars have begun to explore the general trend toward 'ethnic revival', rejecting the total assimilationist view (Glazer and Moynihan, 1970, 1975, Yancey et al. 1976). Militant protests by ethnic minorities

commencing in the late 1950s marked the emergence, or revitalization of ethnicity, and the literature began to focus on the "unmeltable ethnics" (Novak, 1972) such as the Basque, Catalan and Quebecois, who began movements that attracted mass support in the mid 1960s (Smith, 1981:20). In addition, researchers have examined stratification systems within groups where exploitation marks the relations between core employers and peripheral workers who are ethnically distinct. Such is the focus of the internal colonialist perspective.

The internal colonialist position, in opposition to the assimilationist view, predicts a persistence of nationalist sentiment which is due to a stratification system that remains intact (Hechter, 1975:9). Hechter (1975:30-41) refers to the 'cultural division of labour', where an individual chooses to adopt an ethnic identity if one perceives that life chances are limited by membership in a particular group. This type of stratification system enables members in the advantaged group (core) to monopolize their positions while those in the disadvantaged group become victims of exploitation, and discrimination based on language, religion and other cultural forms. The internal colonialist perspective postulates that any cultural assimilation that may occur is almost totally irrelevant because the disadvantaged group (periphery) is subject to exploitation in the general labour market, which in turn, perpetuates the growth of capitalism.



While the assimilationist view argues for the disappearance of ethnic sentiment, the internal colonialist perspective predicts a resurgence of ethnicity. The internal colonialist perspective hypothesizes that the periphery, as an ethnically distinct colony, segregated into subordinate occupational niches, should react to its position, resulting in conflict (Hechter, 1975, Olzak, 1985). It is argued that, as members of the periphery come to recognize their situation of inequality as unjust and illegitimate, and as communication is facilitated among members through the available institutions, and the greater the intergroup differences of culture, therefore there is a greater probability that the periphery resists integration and becomes status solidary (Hechter, 1975:43).

The concept of internal colonialism, however, has a limited applicability. Other research specifically on labour markets, made use of derivative concepts such as "split" and "dual" labour markets (Bonacich, 1972). Bonacich's theory of ethnic antagonism maintains that the labour market is split ethnically and that class conflict takes the form of ethnic conflict (Bonacich, 1972:549-553). She argues that initial price discrepancies in labour fall along ethnic lines mainly because the wage agreement between employer and labourer often takes place in the immigrant labourer's nation, and because ethnic groups, having lived separately from one another, often develop different employment motives and levels of resources (Bonacich, 1972:552). In other words, the price of labour is affected by the ethnic group.

economic, political and information resources, as well as their motives which include the willingness to become temporary sojourning labourers. The less economic and political clout of an ethnic group, and the less knowledge it has, the more vulnerable it becomes to the use of exploitation by the employer. Sojourner labourers tolerate lower wages and longer hours, and thus they are a convenience to the employer. It is precisely because of these characteristics that some immigrant groups cannot protect themselves from disadvantageous wage agreements. Therefore, Bonacich predicts that since business opts for the most parsimonious direction for labour, regardless of ethnicity, and since resources and motives vary by ethnicity, it is common to find ethnically split labour markets, characterized by differential income (Bonacich, 1972:553).

Similarly, literature on the so-called 'dual labour markets', have focused on the flow of immigrants directed to the secondary labour market. Studies include the Puerto Rican migrants in Boston (Piore, 1973, as cited in Wilson and Portes, 1980:300) and, Korean and other Asian immigrants on the West Coast (Bonacich, 1978, as cited in Wilson and Portes, 1980:300). The dual labour market approach stems from dual economy theory, which makes a distinction between the "centre" (or core) and "periphery" economies (Averitt, 1968, and O'Connor, 1973, as cited in Hodson and Kaufman, 1982:728). It is argued that corresponding to the core and periphery sectors (as modes of organization of capital) are two separate labour markets: a primary labour market

and a secondary labour market (as modes of organization of labour) (Hodson and Kaufman, 1982:728). The leitmotif of the stratified dual structure claims that minorities are more likely to begin their working lives in the secondary labour market, where they develop an unstable work history. Employers of the core sectors of the economy, (i.e., with a primary labour market) use such work histories as evidence to inhibit entrance status into the primary labour market, where there are "good" jobs with high rewards and benefits (Hodson and Kaufman, 1982:730). The situation is often described as a vicious circle. The main arguments offered to explain the "pigeon-holing" of minorities into the periphery are: 1) employer discrimination and 2) the available jobs to minorities in residentially segregated areas (ghettos) are almost exclusively within the periphery (Hodson and Kaufman, 1982:731).

Within the dual economy approach, it is often argued that immigrant enterprises are just one segment of the peripheral economy (Wilson and Portes, 1980). In other words, the situation of workers employed by immigrant enterprises is not seen to differ from those in the larger secondary labour market. The prediction is that of "entrapment" in the peripheral economy. However, contradictory evidence found by Light (1972), Wong (1987), Bonacich (1980), and Wilson and Portes (1980), actually indicates a potential positive effect of such enterprises for immigrant social mobility. Many immigrants such as the Chinese, Japanese and Koreans, manage to move up either within existing

ethnic enterprises or by eventually setting up their own new businesses. However, as argued by Wilson and Portes (1980:301), such immigrants fail to capture the distinct phenomenon of immigrant enclaves as the Cuban immigrants in Miami have done so. Once again, it becomes evident that the theory of capitalist development has never been able to account for the clustering of some ethnic groups in the business population (Light, 1979). In any case, it should be clear that the phenomenon of self-employment, catering to an ethnic clientele, while not sufficient to characterize an ethnic economic enclave, is a necessary condition.

Before moving on to a discussion concerning immigrant enclaves, it must be noted that Bonacich and Modell (1980) argue that there is a category of ethnic and racial minorities that is not part of the disadvantaged sector or below the working class. Occupying a position not at the bottom of the social structure but somewhere in the middle, the "middleman minorities" (Blalock, 1967:79-84; as cited by Bonacich, 1973:583) are typified by a clustering in small businesses. As "buffers" between the elite and masses, middleman minorities tend to concentrate in trade and commerce, helping with the ebb and flow of goods and services through the economy (Bonacich, 1973:584).

Sharing common characteristics, middleman minorities tend to constitute a separate and distinct community with their own religion, and culture. Remaining ethnically solidary, these minorities typically have strong family ties. a large number of

ethnic institutions, including ethnic schools, churches, and charitable associations. Kinship and ethnic ties become the basis for forming partnerships, securing loans, obtaining employment, patronage, credit, or for the establishment of small businesses (Bonacich, 1973; 1980 : Light, 1972; 1979 : Wilson and Portes, 1980; Wong, 1987).

Bonacich and Modell (1980) use the Japanese as an example of a middleman minority in the United States. The issei (first generation) were found to concentrate in small businesses that depended upon non-contractual bonds of mutual obligation. Japanese immigrants who experienced difficulty with securing business loans because of the "redlining"<sup>1</sup> practices of banks, turned to their fellow ethnics for financial support by making use of traditional "rotating credit associations"<sup>2</sup> (Light, 1972). It was found that ethnic solidarity among the issei helped establish independent businesses and farming, and such concentration in the ethnic enterprise isolated the issei from the surrounding community, which in turn reinforced ethnic solidarity (Bonacich and Modell, 1980). Therefore, the authors argue that the Japanese were a political-interest group that were able to make use of moral and ritual obligations to bind their members to act in the communal interest of the group.

Light (1972) and Bonacich and Modell (1980) have suggested that there is a link between small business concentration and the retention of ethnic group ties. It may be recognized that the argument presented is a variant of the Weber thesis which posits

that, ethnic solidarity rather than individualism explains the rise of immigrant groups. This theoretical argument will resurface throughout the thesis, which is an attempt to explore empirically and to test statistically the notion that the emergence of ethnicity (from the simple "song and dance"<sup>3</sup> level) influences and even perpetuates an economic behaviour that potentially benefits the immigrant group.

## CHAPTER 1

### THE ETHNIC ENCLAVE: THEORY AND EVIDENCE

#### Ethnic Enclave

The "ethnic enclave" phenomenon has also been referred to as "immigrant enclave" (Wilson and Portes, 1980), "ethnic concentration" (Reitz, 1990), and "ethnic sub-economy" (Weinfeld, 1983). A sub-economy may be defined as a self-contained economic entity consisting of "a network of economic relationships which may link employees, employers, consumers, buyers, and sellers, of a specific ethnic group or minority" (Weinfeld, 1983:324). Enclave enterprises have the potential to "create a workable form of vertical integration by developing ethnically sympathetic sources of supply and consumer outlets" (Wilson and Portes, 1980:301). While a "middleman minority", by definition, fulfils intermediary economic functions (as a go-between), an immigrant enclave can be conceived of as a "potential total economy in miniature" (Weinfeld, 1983:325). One can conceptualize an economically successful middleman minority with independent markets for labour, capital goods, services, and information, which may parallel those existing in the "mainstream" economy.

As an empirically distinct segment of the economy, the enclave enterprise may be either advantageous leading to upward mobility, or it may be an entrapment, where mobility is hindered. Wiley (1969) predicts that a career in the ethnic labour market would resemble a "limb" of a tree, which leads primarily outward and away from any serious chances of ascent. More recently

however, policy makers and academic researchers have come to recognize that small businesses in an ethnic enclave may offer an alternative channel to upward economic mobility (Waldinger, Ward, Aldrich, 1985).

According to Wilson and Portes (1980:314), the necessary condition for the emergence of an economic enclave is the presence of immigrants with sufficient capital from the "old country" or pooled savings in the host country. Ethnic members of the enclave have been known to organize unorthodox but effective forms of financial and human capital reserves by pooling their savings and cutting their costs by employing new immigrants to do the "dirty work" for minimal or no wages at all. In this sense the enclave firms may be seen as reproducing the characteristics (i.e., exploitation) identified as characteristic of the centre economy by some researchers.

Studies providing evidence for the existence of ethnic enclaves have been mostly descriptive and suggestive. The classic study, "Cubans in Miami" by Wilson and Portes (1980) does however, provide sound quantitative evidence of the empirical distinctiveness of an enclave labour force. The study highlights the limitations of the dual labour market theories. In their longitudinal study, Wilson and Portes (1980) interviewed a total of 590 Cuban immigrant males who were employed by firms in the primary, secondary, and enclave labour markets. The researchers expected to find systematic differences in occupational prestige, economic stability, occupational and income satisfaction,



perception and experiences of discrimination, and interaction with Anglo-Americans within each labour market. Using the statistical technique of discriminant analysis, Wilson and Portes (1980) examined the processes of occupational and income attainment within each labour market. The results lend support to their principal hypothesis that immigrant enclaves do not share the disadvantages of those in the secondary labour market, rather, the Cuban economic experience matches that of the primary labour force without actually participating in it.

For future research, Wilson and Portes (1980) suggest that it is necessary to test the possibility of generalizing the results to other immigrant minorities. They conclude that immigrant enclaves require a source of capital and sustained immigration to renew the enclave labour force. Enclave entrepreneurs were found to use language, cultural barriers and ethnic affinities to gain access to markets and sources of labour (Wilson and Portes, 1980:315). It is believed that these conditions might actually give immigrant entrepreneurs an edge over other peripheral firms in the open economy. The authors conclude that the principle of ethnic preference in hiring and supporting fellow immigrants in their economic ventures, together with a sense of reciprocal obligations provided by a common ethnicity, present new channels of mobility for immigrant workers, and perhaps can explain why some members of ethnic groups choose to stay within the enclave economy (Wilson and Portes, 1980:315).

In a comparative study of Cuban and Black economies in Miami, Wilson and Martin (1982) found that Cuban enterprises had characteristics that clearly established them as "enclaves", where clusters of small businesses were vertically and horizontally integrated. However, the black business community, although it appeared to be somewhat distinct from the dominant group's economic logic and practices, (i.e., geographically isolated, minority-owned) was, in fact, merely an extension of the periphery economy (Wilson and Martin, 1982:155).

The explanatory factors offered by Wilson and Martin (1982) for the success and failure of the Cuban and Black enterprises respectively, were both situational and cultural. The authors argued that the most viable factor for Cuban enterprises in Miami is that they are strategically located for international trade between Miami and Latin America (Wilson and Martin, 1982:155). Communication is also facilitated since the business populations are both Spanish speaking. Enjoying a reputation as successful and experienced entrepreneurs, even the local banks favoured the Cuban community. Having escaped Cuba with some capital and having pooled their savings, the Cuban community had established what Light (1972:12) called a "protected market"<sup>4</sup>.

The black business community, on the other hand, experienced difficulties in obtaining sufficient capital because banks considered such loans to be too risky, which resulted in a decreasing number of black enterprises. In addition, having been channelled into white industries for employment, the community

found itself in an economically backward position (Wilson and Martin, 1982). A combination of historical and situational factors partially account for the position of blacks as a disadvantaged minority. In addition, the social life of the black community has been characterized by disorganization (Light, 1972), rather than by ethnic solidarity as found in the Cuban community.

In another study, Wong (1987) arguing from within the cultural perspective, claims that the main success of immigrant enterprises in New York's Chinatown has been due to kin and traditional social relationships, i.e., informal networks. For example, advertising for Chinese employment opportunities only in Chinese newspapers can be taken as an indication of a preference for recruiting exclusively from the Chinese ethnic community (Wong, 1987:123). Light (1972:98) also found trends toward the use of traditionalism and paternalism in employment relations among the Chinese and Japanese who were found to have strong social ties. Therefore, ethnicity can be seen as an asset for economic organization which molds the character of ethnic enterprises (Wong, 1987:123)

The success of New York's Chinese garment industry is characterized by small, efficient, low-cost, flexible, labour intensive, family-run factories that seldom go bankrupt (Wong, 1987:121). Such entrepreneurial success is also due to the financial assets originating from the homeland, and the pooled savings that are largely the result of highly effective rotating credit associations (Light, 1972:19).

Another characteristic feature of the Chinese garment industry is that the production system takes into consideration the aspirations and needs of the ethnic co-workers by paying for trips, college expenses, and even material items for their children (Wong, 1987:124). A certain ambience characterizes the Chinese garment factories. Social relations regulated by cultural values minimize the hostilities and the grievances between management and labour that are normally found in the centre economy (Wong, 1987:124). In addition, Waldinger (1985:223) notes that obligations that are understood as both informal and reciprocal actually discourage unionization which would minimize disputes. The enclave garment factories are staffed with co-ethnics who are motivated, hard-working and put up with short-term inconveniences because of loyalties, high incentives and strong attachments to the firms. A seemingly ideal labour force for firms in competitive product and service markets.

A similar study on New York City's Hispanic garment industry indicates that the small firms function as "spot markets", specializing in unstable components of demand for short-lived style items and overruns on certain standard goods (Waldinger, 1984:1985). Aiming to minimize expenditure on capital costs, owners of immigrant firms work with cheap, synthetic materials, and use unpaid family labour to save on overhead costs so that they can capitalize on the up-to-date short-lived items. The owners also reduce risks by hiring through "ethnic networks", where they can establish authority along paternalistic lines

(Waldinger, 1984:67). Eventually, a pattern of mobility and entrepreneurship emerges, where skills are passed on to the direct families and ethnic co-workers. Waldinger (1984) claims that while immigrant firms look more like "sweatshops", they do in fact provide a ladder for social mobility by passing on entrepreneurial skills.

In a later article, Waldinger (1985) examines the structure of the ethnic economy and finds that immigrants find security in patronizing their co-ethnics over outsiders. Furthermore, this preference for a segregated life-style actually opens a niche for immigrant businesses. Since there is also a preference for ethnic hiring, there is a tendency to consolidate as an ethnic group and concentrate in distinct occupations. For example, it is not unusual to see Chinese concentrated in clothing and restaurant businesses, Greeks in restaurants and furs, and Koreans in vegetable and fish retailing. Waldinger (1985:222) suggests that "occupational distinctiveness produces ethnic solidarity by creating a niche in which cultural and economic roles are congruent". It may also be suggested that ethnic solidarity produces occupational distinctiveness within ethnic enclaves, where a niche in business is created as a result of group cohesion and a segregated life-style. However, the relationship appears reciprocal rather than unidirectional as Waldinger suggests.

Since ethnic enclaves contain immigrant minorities that are residentially concentrated in a city or region, it becomes

important to understand to what extent ethnic business owners, having established a niche, actually capitalize from the salience of their ethnicity. Similarly, customers may come to expect special treatment based on their ethnicity, forcing merchants to comply or lose business.

Aldrich et al. (1985) examine the relative importance of ethnic residential concentration for the customer base of ethnic businesses, compared to social distance factors. They found that Asian businesses in Asian residentially concentrated urban areas in Great Britain, catered to the distinctive cultural tastes of their minority population, pushing out existing native enterprise (Aldrich et al., 1985:1005). Consequently, the withdrawal of the host group from the emerging enclave area opened more opportunities for ethnic businesses and generated a "protected market". Strong evidence indicates the importance of both the ethnicity and residential location of the shopkeeper. The ecological and cultural factors (i.e., residential concentration and social distance) accounted for 53 per cent of the variation in customer composition for this British sample (Aldrich et al. 1985:996).

### **Theoretical Explanations**

Since the ethnic enclave is recognized as an alternative channel to upward mobility, several explanations have been offered by researchers to account for the successful upward economic mobility experienced by some earlier immigrant groups, such as the Jews, Chinese, Italians and Greeks, some of which.

are still proportionately overrepresented in the "ethnic business" population (Light, 1972; Bonacich and Modell, 1980)

### **1. Cultural Approach**

The cultural explanation, most widely used in the literature to account for entrepreneurial success, claims that individual group traits and behaviour patterns give some groups the "edge" over others (Light, 1972:188; 1979:37; Bonacich and Modell, 1980:33-34; Wilson and Portes, 1980:315). The Chinese, Japanese, and Cubans are prime examples of ethnic groups who have been successful in small business because their cultures endowed them with useful resources, such as group solidarity and credit associations. Writers in this tradition, have also emphasized specific entrepreneurial values and personality traits (i.e., hard work, independence, thrift) (Bonacich, 1973; Light, 1972)

Rosen (1959), among others (see for example, McClelland, 1961), claim that some racial and ethnic groups, such as the Jews and Greeks have different cultural and psychological orientations towards achievement. While it may be true that an internal impetus and particular value orientations propel some groups to excel, the cultural analysis is incomplete since it lacks a discussion of the economic environment and the opportunity structure (Waldinger, Ward, Aldrich, 1985).

### **2. Interactive approach**

The interactive approach, combining ethnic informal resources and the demands of the economic environment, hypothesizes that the demand for ethnic products and services,

and the supply of potential business owners (i.e., family, ethnic labour), interact to generate entrepreneurship (Waldinger, 1984:61; 1985:223). Researchers using the interactive framework argue that ethnic business owners have an advantage in competition with their native counterparts and that small business can play an important role in promoting upward social and economic mobility (Waldinger, 1985:223).

### **3. Ecological Approach**

Scholars arguing within the ecological framework observe patterns of ethnic succession. They recognize immigrant business emerging when vacancies arise in already existing business populations (Waldinger, 1984:64). For example, small businesses in New York City's garment industry were traditionally owned by Jewish and Italian immigrants; since the 1960s, these groups have been replaced by Hispanics. Stagnation had set in because of the absence of children seeking to take over the family-owned firms (Waldinger, 1984:64). Therefore, new opportunities arose for entrepreneurs from new immigrant groups, who began to take over. Eventually, a pattern of ethnic succession developed.

Additional growth among ethnic business is generated by a "protected market" (Light, 1972. Aldrich et al., 1985). As discussed previously, a demand for special ethnic products and the servicing of special ethnic consumer tastes provides a small business niche in which immigrant owners have an advantage over their native competitors (Aldrich et al., 1985).



#### **4. Situational approach**

The situational framework stems from Bonacich's (1973) sojourner theory, which was discussed in the introduction of this thesis. Individual migrants who do not plan to settle permanently, possess sojourning characteristics including thrift, a willingness to work long hours, and a concentration in certain occupations. Such traits enable them to succeed in entrepreneurial activities. In addition, the situational approach examines the structure of the historical situation of a migrant group as seen with the "Cubans in Miami" (Wilson and Portes, 1980). The approach ignores the cultural level of analysis, and taken alone, it also remains incomplete.

#### **5. Disadvantage Theory**

Disadvantage in the general labour market, suffering under- and unemployment because of poor English, a lack of education, and discrimination, comprise the central ailments in the classic explanation for why immigrants are drawn to self employment (i.e., an aspect of enclave behaviour) (Light, 1972, 1979; Reitz, 1980). Light (1972:5) argues that the Chinese, for example, moved into domestic service, laundry work, restaurants, and small retail stores catering primarily to other Chinese because of discrimination and hostility of white labour, forcing the Chinese out of manufacturing employment in white-owned firms. The foreign-born, experiencing discrimination because of their accents and ethnicity, find in self-employment relatively better income and status rewards than the native-born, who experience

relative advantages in the general labour market (Light, 1972).

In a later article, Light (1979:37) argues that if poverty, unemployment or low wages represent incentives to seek out an independent means of livelihood (i.e., self-employment), then blacks should have the highest rates of self-employment. However, blacks are poorer and more subject to unemployment, yet they are underrepresented in business (Light, 1979:37). Therefore, disadvantage alone does not necessarily propel self-employment within ethnic enclaves.

Light (1979;1984) maintains that disadvantaged minorities in possession of the relevant resources, such as capital, education, motivation, social and familial institutions and well developed social networks find their way into small business and upward mobility. One can therefore argue that "the cornerstone of an ethnic sub-economy is the communal solidarity of a minority group" (Hraba, 1979:374, as cited by Light, 1984:200).

Having touched on the various explanations offered to account for the success of immigrants in enclave economies in a variety of North American and British settings, we now move to a historical overview of two specific ethnic groups chosen for the study: the Italians and the Jews of Toronto, Canada.

## CHAPTER 2

THE DEVELOPMENT OF THE ITALIAN AND JEWISH IMMIGRANT  
ECONOMY IN TORONTO, WITHIN A HISTORICAL CONTEXT

## A. The Early Migrants

The first signs of Italian immigration to Toronto were as early as the mid 1820s. The immigrants (until the 1850s) were either early men of letters and soldiers of fortune, or Northern Italian craftsmen and peddlers (until the 1880s) (Zucchi, 1983:73). Similarly, Jewish settlement in Toronto began roughly around the same time (1832), where the majority were European or had arrived via the United States (Speisman, 1979:12).

Unlike Italians and other immigrants, Jews arriving in the mid-century, emigrated as family groups rather than as individual sojourners who were looking for transient employment opportunities. According to Speisman (1979:15) the majority of Jewish immigrants were British merchants, rather than craftsmen, and they brought some capital with them to Toronto.

Many of the Italian immigrants of the mid-nineteenth century who came to Toronto, had spent a few years in London, Liverpool, Manchester, or New York, where they gained experience as labour agents, or padrone<sup>5</sup> (Zucchi, 1983:180). Recognizing the economic hardships and the hazardous health conditions (i.e., diseases and epidemics) that were experienced by their co-villagers back in Italy, the labour agents induced the peasants to purchase tickets

to the Americas where work was promised. These agents took on the role of 'middlemen' between Ontario capital and an Italian immigrant labour market (Zucchi, 1983: 39-74).

Similarly, the Jewish migrants arriving from the United States were also seeking relief from economic difficulties (i.e., the depression in 1857), and they emigrated in order to improve their economic situation (Speisman, 1979:32-62).

The economic and environmental conditions as well as the new opportunities available to the newcomers accounted for the rapid increase in the Italian and Jewish population of Toronto and Canada. The official population estimates in Toronto for the years 1881, 1901, and 1911 are given in Table 2.1. It is interesting to note the great influx of Jewish immigrants in Toronto, by 1911 where there was a 401 per cent increase over the thirty year period (Speisman, 1979:71). Table 2.2 depicts the population of Italian and Jewish immigrants in Canada from the years 1871 to 1981. After the second World War, Italian migration into Canada also rapidly increased.

TABLE 2.1

## Toronto's Italian and Jewish Population

<u>Year</u>	<u>Italian</u>	<u>Jewish</u>	<u>Toronto's population*</u>
1881	570 <sup>a</sup>	534 <sup>b</sup>	181,215
1901	1,156 <sup>c</sup>	3,090 <sup>d</sup>	208,040
1911	4,873 <sup>e</sup>	18,237 <sup>f</sup>	376,538

Source: \* Zucchi, 1983:78

- a Census of Canada (Ottawa, 1891): figures are for 'racial origin of population' of Greater Toronto; as cited by Zucchi, 1983:78.
- b Canada, Department of Agriculture, Census of Canada, 1880-81 (Ottawa:1883) I, p.174; as cited by Speisman, 1979:71-76.
- c Census of Canada, (Ottawa, 1901) as cited by Zucchi, 1983:78.
- d Census of Canada, 1901 (Ottawa, 1902) I, p. 219; as cited by Speisman, 1979: 71-76. Speisman suspects the quotations are slightly lower than the true figures since there was a language barrier in some cases and people were suspicious of government.
- e Census of Canada, 1911; as cited by Zucchi, 1983:78.
- f Canadian Jewish Congress Central Region Archives, Toronto, 1947; as cited by Speisman, 1979:76.

TABLE 2.2

Population by Ethnic group, Census years 1871-1981\*

<u>Years</u>	<u>Italian</u>	<u>Jewish</u>	<u>Canada's Total Population</u>
1871	1,035	125	3,485,761
1881	1,849	667	4,324,810
1901	10,834	16,131	5,371,315
1911	45,963	76,199	7,206,643
1921	66,769	126,196	8,778,949
1931	98,173	156,726	10,376,786
1941	112,625	170,241	11,506,655
1951	152,245	181,670	14,009,429
1961	450,351	173,344	18,238,247
1971	730,820	296,945	21,568,310
1981	747,970	264,025	24,083,500

Source: Canada Year Book, 1961, 1980-81, 1985.

\* Prior to the 1981 Census, ethnic group referred to the ethnic or cultural group(s) to which the respondent's paternal ancestors belong. The word paternal was dropped from the definition for the 1981 census.

From 1883 to 1914, there were increasing numbers of Eastern European Jews flocking into Toronto. They were quite different from the earlier Jewish migrants. More similar to the early Italian immigrants, the Eastern European Jews were craftsmen, who lacked capital, but maintained traditional values, and found themselves in occupations with low prestige. While Italian immigrants worked on railroads and canals, sewers and streets, Jewish immigrants, engaged in rag-picking, bottle-washing, peddling and dealing in used furniture (Zucchi, 1983:34; Speisman, 1979:72-73).

New strict immigration laws in the late 1920s, however, reduced the flow of newcomers. As Canada was heading into an economic depression, there was less demand for manpower, and immigration doors in the 1930s were virtually closed. Since the Canadian immigration policy had always been as ethnically selective as it was economically self-serving, when economic necessity dictated the admission of immigrants other than British or American, a descending pecking-order was used, placing Jews and Southern Italians among the less desirable (Weinfeld et al., 1981:52).

Racist and negative attitudes by Canadians also impeded an open-door policy. Suspicious and prejudice attitudes against Italian-Canadians began as early as the first World War, since Italy did not immediately join the allies (Jansen, 1988:22).

When Italy finally joined and fought alongside the founding nations (i.e., England and France), this suspicion subsided,

however the Italians were still considered among the less desirable immigrants.

Italian immigration into Canada was also hindered when Mussolini's fascist government (which solidified power in Italy between 1922 and 1925) recalled racist attitudes by countries such as Canada, which resulted in the fascist government's effort to discourage Italian emigration (Jansen, 1988:24). By 1935 Canadian public opinion grew even more hostile toward Italy when Mussolini attacked Ethiopia and turned to Hitler for support, signing a formal ten year military alliance with Germany (Jansen, 1988:24).

When Mussolini declared war on France and Britain in 1939, Canadian public opinion and behaviour turned against Italians (Jansen, 1988:25). Italian-Canadian fascist sympathizers were arrested and denied civil liberties, and the Italian community suffered severe racial attacks, as store windows were smashed, majority Canadians refused to work alongside Italian individuals, and many were even blacklisted from job opportunities (Jansen, 1988:25).

It is interesting to note that similar, anti-semitic sentiment also existed in Canada, which of course did not help the Jews who were desperately trying to escape persecution from the Third Reich. The number of Jewish refugees increased as Hitler marched into Austria (1938), where Jews were being robbed of their assets, citizenship, and even the right to live. Appeals to the immigration officials proved unsuccessful, therefore the



refugees turned to the Canadian Jewish Congress (i.e., a Jewish interest group). However, this attempt was only marginally effective. Between 1933 and 1939, Canada opened the doors to approximately 4,000 Jewish refugees out of 800,000 (Weinfeld et al. 1981:51). With the outbreak of war, the immigration doors shut, and only a few families managed to gain entrance into Canada because of the efforts of the CNCR (Canadian National Committee on Refugees and Victims of Persecution), and the CJC (Canadian Jewish Congress) (Weinfeld et al. 1981:87).

The total number of immigrants entering Canada on average, dropped to 15,800 per annum for 10 years (1931-1940) and to 12,200 for the years 1941 to 1945 (Jansen, 1988:26).

After the war, in 1945, the immigration doors were reopened. A new wave of immigration began to characterize the last half of the century (see Tables 2.3 and 2.4). Interdepartmental and Parliamentary committees began dialogues on the prospects for a new era of immigration in 1946, and between 1951 and 1971, a policy of active recruitment began (Jansen, 1988:30; Weinfeld, 1981:88). The modifications to immigrant regulations were provoked by the ethnic and religious pressure groups who fought for the admission of their relatives and coreligionists. In addition, the business community urgently needed thousands of new labourers to fill skilled and unskilled jobs. Finally, the pressure from the media, as well as from the governments of the United States and Western Europe, forced Canada to assist postwar re-construction by relieving the overcrowding in Europe (Weinfeld

et al., 1981:88). The xenophobic attitudes of the depressed 1930s had taken a complete turnaround (Weinfeld et al., 1981:89).

TABLE 2.3

## Canada's Italian Immigrant Population

	<u>Single origin</u>	<u>Multiple*</u> <u>origin</u>	<u>Total origin</u>
<u>Total immigrant population</u>	370,055	26,720	396,775
Immigration before 1946	10,195	790	10,985
1946-1955	94,000	3,560	97,560
1956-1966	187,880	7,655	195,535
1967-1977	68,405	10,365	78,770
1978-1982	7,140	2,865	10,005
1983-1986	2,445	1,485	3,930
Total Italian population in Canada (1986)	<u>709,590</u>	<u>297,325</u>	<u>1,006,915</u>
Total Italian population in Toronto (1986)	<u>292,215</u>	<u>66,820</u>	<u>359,040</u>

**Source:** Statistics Canada, 1986 Census (Profile of Ethnic Groups). Cat. #93-154, 93-155.

\* The 1986 Census questionnaire allows respondents to write up to three ethnic origins. This increased the number of multiple response possibilities.

TABLE 2.4

## Canada's Jewish Immigrant Population

	<u>Single origin</u>	<u>Multiple origin</u>	<u>Total origin</u>
<u>Total immigrant population</u>	82,680	26,755	109,435
Immigration before 1946	16,795	1,920	18,715
1946-1955	17,315	4,725	22,040
1956-1966	13,570	5,710	19,280
1967-1977	20,555	9,635	30,190
1978-1982	10,980	3,435	14,415
1983-1986	3,460	1,335	4,795
Total Jewish population in Canada (1986)	<u>245,855</u>	<u>97,655</u>	<u>343,505</u>
Total Jewish population in Toronto (1986)	<u>108,790</u>	<u>33,300</u>	<u>142,095</u>

**Source:** Statistics Canada, 1986 Census (Profile of Ethnic Groups). Cat. #93-154, 93-155.

## B. Residential Patterns

From the early years of settlement, both the Italian and Jewish groups inhabited geographically distinct and ethnically homogeneous residential areas known as the "Little Italies" and the "Shtetl" (i.e., a Jewish village). The immigrants developed a certain cultural affinity, a "we-feeling", a sense of belonging within these areas. The ethnic ghettos that emerged were attempted reproductions of Italian or Jewish villages in Europe. Schools, shops, religious institutions, mutual aid societies and other similar institutions, were created to help cushion the blow of departure from the familiar organization of European life.

Chain-migration was a popular method of coming to Toronto and settling in such areas. The chain was an intricate socio-economic system, in which immigrants learned of the opportunities in the receiving society and had initial arrangements for accommodations and employment made by means of primary social relationships with migrants who preceded them (MacDonald and MacDonald, 1964; as cited by Chimbos and Agocs, 1983:43). The creation of an ethnic enclave was the result of such a migration pattern, in which entire kin networks and villages became transplanted into a new society, and came to be known as the "Little Italy" out of Italy.

In addition, the Padrone system (developed in 1870s) was also responsible for the physical structure of a Little Italy, where newcomers would rely on informal networks, such as their labour agents from their villages for living accommodations (in

boardinghouses owned by the labour agents) and employment (Zucchi, 1983:84; Masi, 1985).

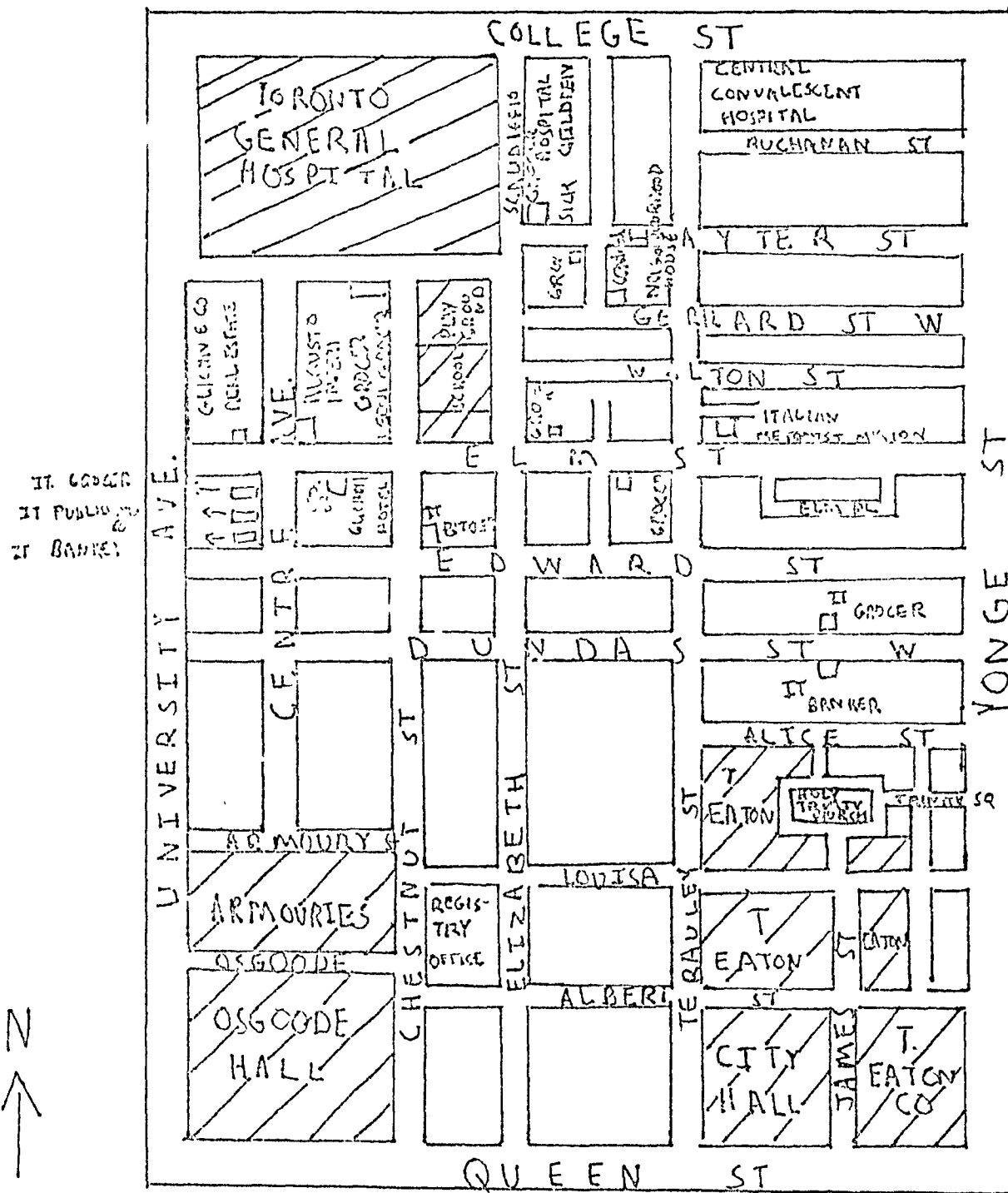
Three Little Italies evolved in Toronto, each with a distinct reputation. "The Ward" (see Map 1) was considered a slum. It was found west of Yonge Street, between College and Queen Street. The early immigrants of San Sisto la Costa, San Vincenzo la Costa, Montalto Offugo, Cerisano, and other surrounding towns settled in the Ward (Zucchi, 1983:92). Many of the Italian households in the impoverished Ward were overpopulated mainly because extra lodgers were taken in for an additional source of income (Zucchi, 1983:80).

The College-Grace district (see Map 2) was inhabited mainly by the townsgroups from the Cosenza (Calabria) area, and it was considered a rough neighbourhood but not as dangerous as the Dufferin area.

By the 1920s, the townspeople gradually moved into the Dufferin Little Italy (see Map 3). The area became the centre of the Italian community until the 1960s (Zucchi, 1983:97). The population of the Dufferin district was composed of immigrants from the towns surrounding Chieti-Lanciano, Fossacesia, Rocca San Giovanni, and Terracina (Zucchi, 1983:98).

It became evident that each Italian townsgroup developed its own particular map within the city with key institutions such as the boardinghouses for sojourners, the homes of the prominent men of the community, and businesses, which were all the resulting pattern of chain migration (Zucchi, 1983:100). Such a migration

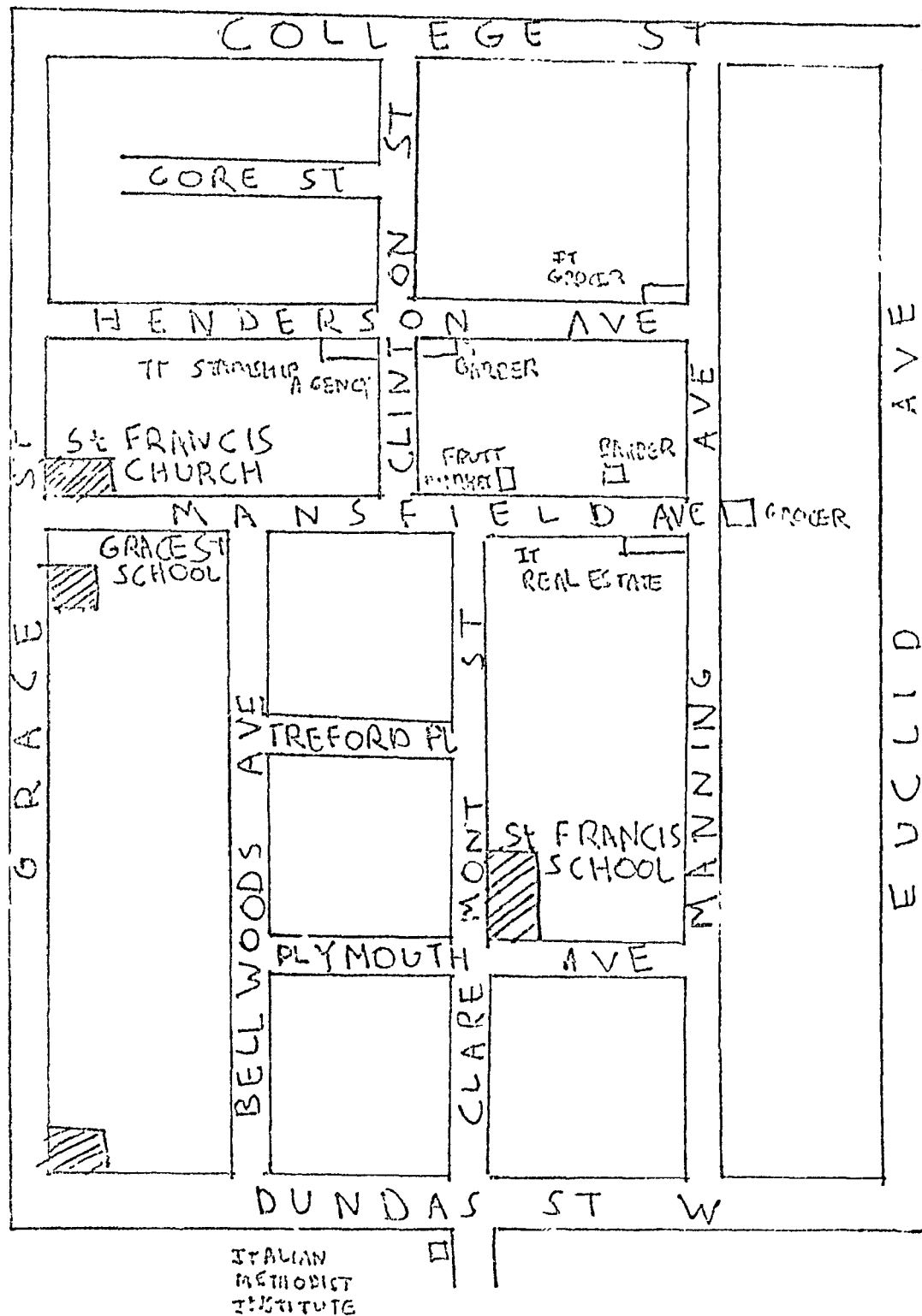
MAP 1  
THE WARD



Source: Zucchi, 1983: 72

MAP 2

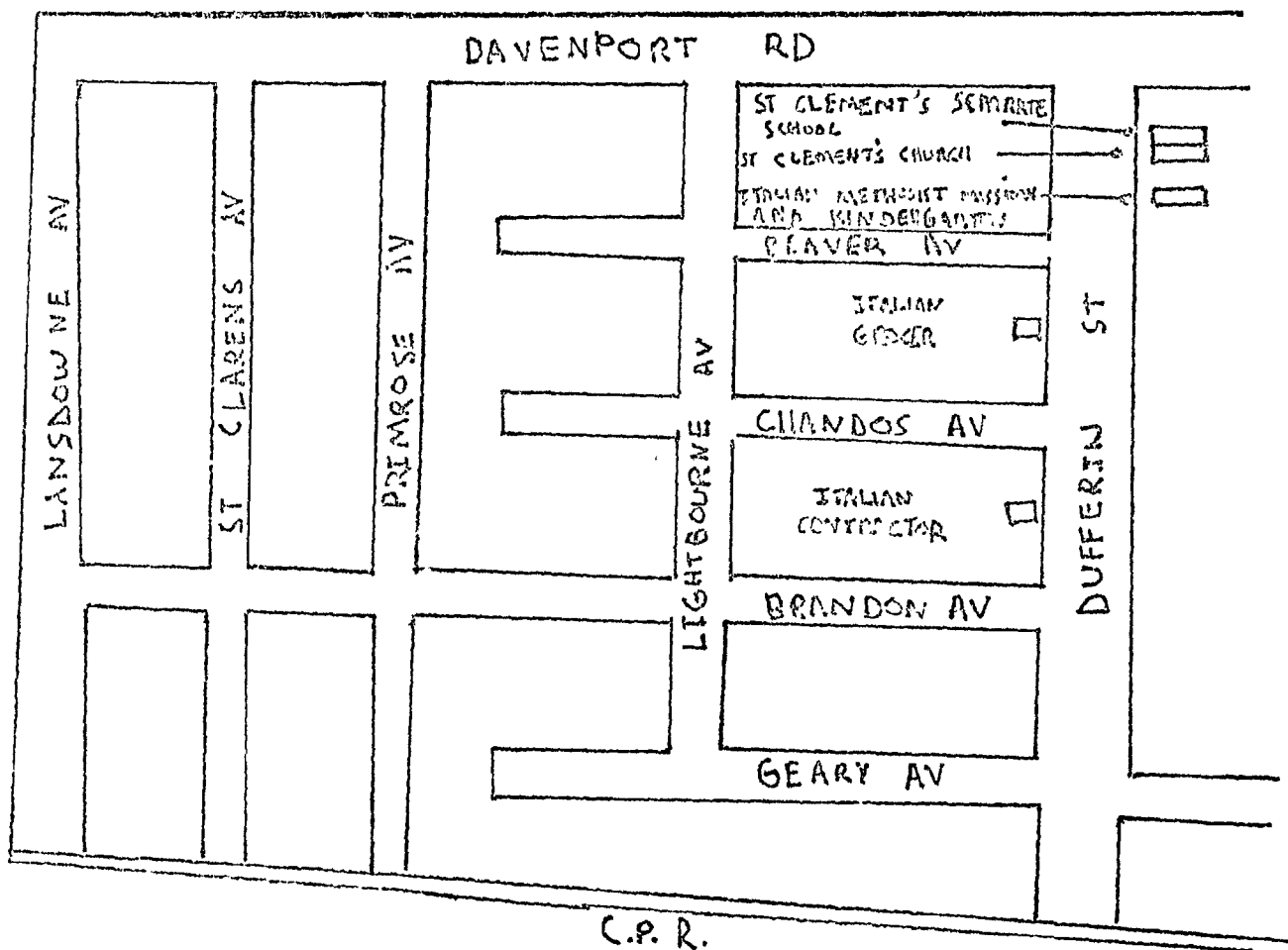
COLLEGE - GRACE DISTRICT



Source: Zucchi . 1983: 73

MAP 3

DUFFERIN-DAVENPORT DISTRICT



Source: Zucchi, 1983: 97



pattern was functional in that it perpetuated the loyalties of the immigrant to his townspeople in Toronto, it maintained group cohesion, and also embraced obligation and debt to the intermediaries between the immigrant and his/her welfare in the city (Zucchi, 1983:100).

Therefore, an Italian community had emerged by the 1880s, which was not based exclusively on the three different neighbourhoods, but also on the sentiments and loyalties of the immigrants who developed informal bonds between the Italians from all districts as a result of their institutional development and high population growth rate in the city (Zucchi, 1983:109).

Residential concentration continues to be characteristic of the contemporary Italian community in Toronto. Jansen (1987:51) found that the township of Vaughan, in the Toronto CMA (Census Metropolitan Area) has the highest concentration of Italians 37.3 per cent (see Map 4). In metropolitan Toronto, in the city of York, it is also evident that Italians account for 23.3 per cent of the population (Jansen, 1987:51). Map 5 shows that in five of Toronto's census tracts, Italians represent over 60 per cent of the tract population. Interestingly, Jansen (1987) notes that in one tract, surrounded by Steeles Avenue West, the East Humber river and Islington Avenue, Italians account for 81 per cent of the total population (Jansen, 1987:51).

It is fascinating to examine how the expansion of one of the original Little Italies, the Dufferin area, extends outward into the northwest and constitutes a larger contemporary

neighbourhood (see Maps 3 and 5).

Although the Italians still display a fair amount of residential concentration, Jansen (1988:117-119) also notes that other groups such as the Greeks and Portuguese are even more concentrated. The trend is also evident in the Jewish community of contemporary Toronto.

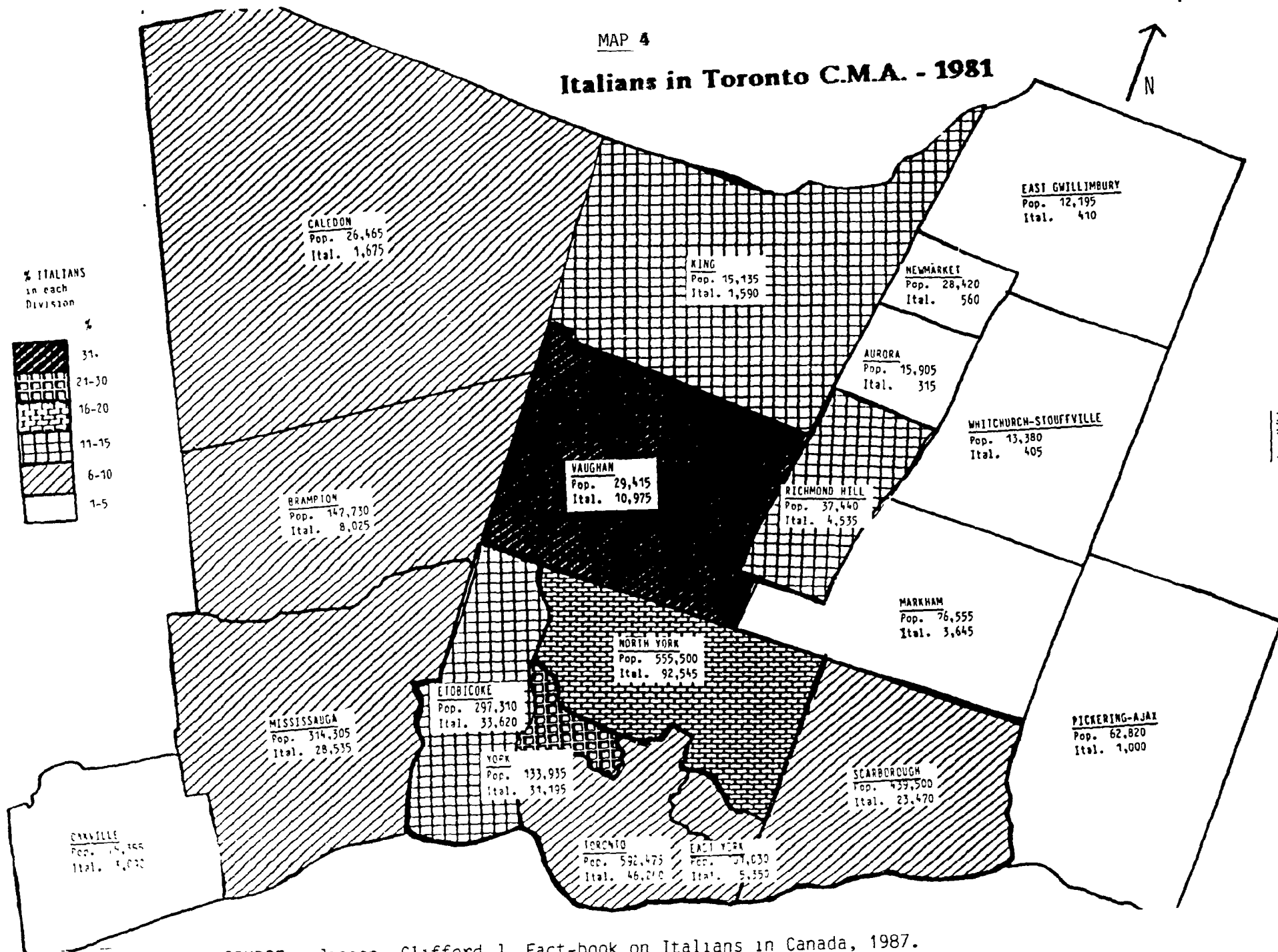
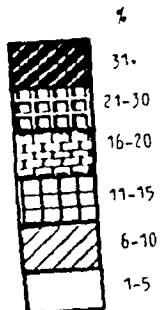
Historically, the differences between the old and new Jewish communities (i.e., the Western and Eastern Europeans, respectively) were so great that it was not surprising they were segregated residentially (Speisman, 1979:92). A shtetl atmosphere had developed among the Eastern European Jews since they arrived with little capital and tended to gravitate into cheaper dwellings that were closer to their place of employment. The earliest of the Eastern European Jews settled along Richmond Street between Yonge and York, and on York Street (Speisman, 1979:82). Speisman (1979:82) explains that the Eastern European tendency to concentrate in one district was due to "the centuries of conditioning to the fact that spiritual survival depended upon cohesiveness". The community felt the need to be close to the ritual bath and to the shops, where observing dietary and other religious laws would be facilitated (Speisman, 1979:87). Since economic necessity and religious obligation dictated the place of settlement, it was not uncommon to find Eastern European Jews residentially segregated by religion and status.

The Western European Jews however, were more integrated residentially within the city's population. Coming from a more

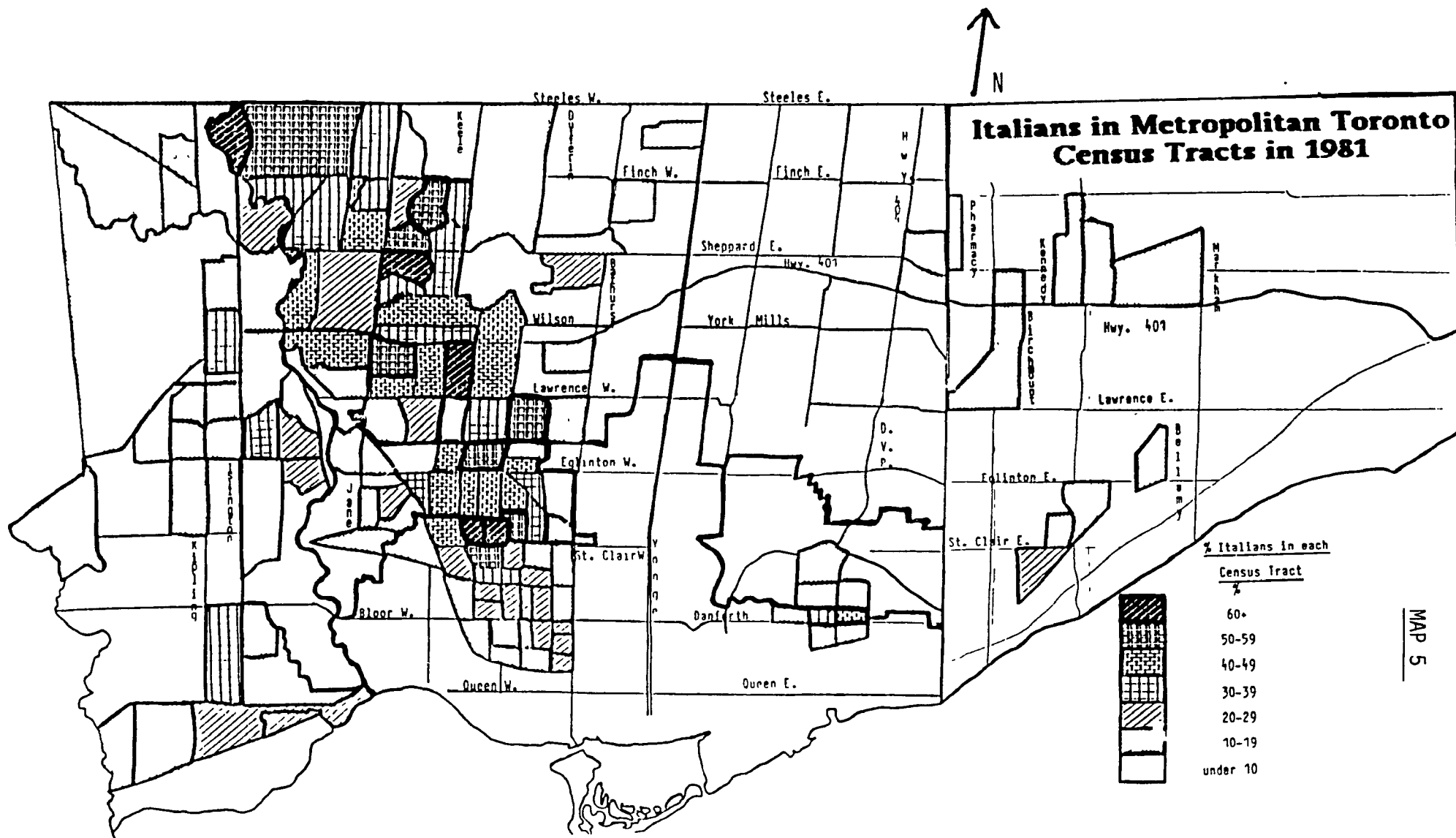
MAP 4  
Italians in Toronto C.M.A. - 1981



% ITALIANS  
in each  
Division



SOURCE: Jansen, Clifford J. Fact-book on Italians in Canada, 1987.



SOURCE: Jansen, Clifford J. Fact-book on Italians in Canada, 1987.

established middle class community of British background, the Western European Jews had little difficulty in adjusting to life in Toronto, mostly because language was not a barrier and they were accepted as Englishmen (Speisman, 1979:61). The Western European Jews were wealthy manufacturers and real estate brokers, landlords and shopkeepers who were to be found mostly east of Spadina. By 1914, the 'old community' fled to Rosedale and to other localities north of Bloor Street; whereas, the impoverished 'new community' remained west of Spadina, on Kensington, Augusta, Baldwin and Nassau Streets, where an outdoor market with a shtetl atmosphere had emerged by the end of the First War (Speisman, 1979:92).

In the late nineteenth, early twentieth century, the social and economic divisions between the Eastern European Jews and the old Jewish community, and the Eastern Europeans Jews themselves, had been commonplace, and it had become evident in the residential and commercial stratification patterns (Speisman, 1979:92). In Toronto, the established Jewish community did accept the new Eastern arrivals, however they feared that their exotic appearance and practices would produce anti-semitic sentiment, consequently, there was a great effort made by the old community to acculturate the new community as fast as possible (Speisman, 1979:96). However, the socio-economic distinctions remained intact.

The experiences and values of the old and new Jewish communities remained different and created more factions among them, rather than unity into one homogeneous community. Similarly, the Italian community experienced such factions among the different townsgroups. Unity within the communities only evolved later in the twentieth century, where loyalties were more on a national level rather than at a local grass roots level. Constant across both time periods, however, were the residential concentrations that characterized the two communities.

### **C. Work and Enterprise: The Ethnic Labour Markets**

#### **1. The Italian Community**

The occupational structure of the Italian community in the early twentieth century, was made up of unskilled labour. Italians, mainly from rural areas if not actually from peasant backgrounds, were brought over with the aid of the labour agents, and worked on railroads, canals, sewers and streets. They earned a reputation as "pick and shovel men", who were "hard-working", and had pre-industrial work skills (Zucchi, 1983:158).

By the 1930s, a distinct Italian-Torontonian occupational structure had emerged, in which most of the represented occupations were in construction and needle trades and fruit retailing (Zucchi, 1983:164-167). An increasing number of newcomers flocking into Toronto constituted a steady pool of employees who relied on the townsgroup to provide lodgings, employment and training. The newcomers were channelled into

occupations that were considered "typically Italian". they worked with their co-ethnics and came to identify more with the Italian community (Zucchi, 1983:122). Zucchi (1983:112) further notes that after World War I, even the first and second generations tended to move into these occupations, even though they did not necessarily depend on the townsgroup to provide work or training.

The constant recruitment of new immigrants from the villages created a labour market from which entrepreneurs were able to find a profitable niche in the economy. For example, Italian street musicians found a profitable niche in the city's economy as they moved into theatre or dinner entertainment; knife-grinders who had journeyed throughout Europe, came to dominate the trade in Toronto, and Italian barber shop owners recruited boys from their villages as shoeshine boys who later apprenticed as barbers (Zucchi, 1983:132-135). As soon as an Italian entrepreneur recognized a demand in the market, he capitalized on it by creating a niche and recruiting a steady supply of employees to retain a monopoly. A pattern began to emerge, in which many immigrants were channelled into the enclave economy rather than into the peripheral or core economies.

Another example of how early Italian families saw an opportunity to capture and expand into the Canadian market was through the brickmaking, marble laying mosaic, and the tile and terrazzo trades. According to Zucchi (1983:137), in 1910, Italians in the trade saw that the General Hospital, the Royal Bank, and the Dominion Bank buildings required marble and

terrazzo interiors; consequently, they were quick to capture the opportunity and eventually came to monopolize the trade. By 1925, several Italian families began to sponsor the immigration of tradesmen, grinders and other labourers, who in turn eventually established their own companies.

The fruit trade was yet another example of how early Italian peddlers eventually opened their own stores and came to dominate the fruit retail trade in Toronto (Zucchi, 1983:141). Zucchi (1983:142) notes that in 1912, out of a total of 208 fruit store owners, over half of those merchants were Italian (126), and the remaining retailers were either Jewish or Greek. Sicilians in particular were quick to capitalize on opportunities. Their keen sense of market needs led them to open fruit stores along the main arteries of the city (Zucchi, 1983:145).

The key to the success of the early Italian entrepreneurs, was that they all operated on the principles of mutual obligations and ethnic ties (Zucchi, 1983:147-156). Such obligations and ties with the hometown or region "provided each group with an apprentice system, a labour market, capital, employment, and opportunity so that it could compete effectively in a particular trade in Toronto's economy" (Zucchi, 1983:156).

The ethnic entrepreneur who formed part of the commercial elite by virtue of such trust and obligation was more than an employment agent; rather, he was a banker, grocer, and/or steamship agent who came from an older and more established family, and had acquired business expertise and capital before



opening an agency (Zucchi, 1983:184-185). Selling groceries, stationary, books, stamps, musical instruments, insurance and real estate, the entrepreneur would cater to all the needs of the immigrant, in the Italian language.

It was not surprising therefore, that many immigrants patronized Italian entrepreneurs since there were many benefits in participating in the ethnic economy (i.e., ethnic goods and services). However, many of the patrons suffered because they had placed such blind trust in their agents. During an economic recession, many of the steamship agent/bankers became insolvent and the ethnic clients lost in many cases, their life's savings (Zucchi, 1983:191).

Essentially, an Italian ethnic economic enclave emerged within the city's general economy, in which a sense of ethnic identity and bonding perpetuated a particular economic behaviour among Italian-Torontonians. There were many benefits for those that chose to participate in the enclave, however, penalty did accrue to some. Zucchi (1983:199) also notes that the Italian enclave economy was local in nature, but it was also part of a larger North American Italian immigrant economy. Having entered the Italian-American economic network in the 1880s, Toronto's Italian ethnic brokers arranged immigrant labour exchanges with the American padrone and introduced Italian-Torontonians to the continental Italian immigrant network (Zucchi, 1983:199).

For example,

an Italian North American identity developed effectively among prelates and ethnic food or dry goods wholesalers, producers, and significant retailers. Consumers also became aware of this identity as they read the labels on Italian products or simply heeded the advertisements of their brokers (Zucchi, 1983:199).

Therefore there appears to be evidence of an Italian ethnic enclave emerging from the late nineteenth century, which was operated on the premise that Italians should "buy Italian".

By the 1980s the Italians of Toronto became a clearly identifiable group of persons who acquired economic success and prosperity; however, they remained under-represented in the professions (Jansen, 1988:204). In 1981, only 14 per cent of Italians were employed in managerial or professional occupations, in comparison to 24 per cent of the total labour force (Jansen, 1988:132). Obtaining incomes very close to the national average (i.e., \$12,306), the Italians continued to cluster in an enclave economy, where they remained concentrated in the wholesale and retail trade (17%), manual occupations (44%), clerical, sales and service occupations (40%), and also gravitated into the manufacturing and construction industries, constituting 10 per cent more than the total population in the construction trades (Jansen, 1988:130-131).

## 2. The Jewish Community

A similar enclave economy also evolved within the Jewish community. As noted above, Eastern European Jewish immigrants tended to gravitate into the garment trade. The aim was to "set

up shop" and eventually be self-employed (Speisman, 1979:72). Speisman (1979:73) notes that approximately 10 per cent of the Jewish immigrants had already worked as tailors in Russia, primarily because they were excluded from other occupations.

However, this was not the main factor explaining the channelling of Eastern European Jews to the clothing industry. Speisman (1979:73) argues that the principle attraction to the garment trade was that the earnings were directly related to the individual effort, and experience and capital were direct, unlike factory work, where capital was collected from the consumer and partially distributed by the employer to the workers.

Eastern European Jews in Toronto who had experienced problems in Russia, cautiously avoided situations where discrimination might be a problem; therefore, they established small businesses such as, grocery stores, junkyards, and clothing shops rather than seeking employment in large firms owned by Gentiles (Speisman, 1979:73).

However, Jewish entrepreneurs were not as independent as they might have liked. Subcontracting from large gentile firms was a major source of business. Jewish rag-processors, for example, sold to gentile salvage firms, as well as to Jewish firms (Speisman, 1979:72). Dealing with non Jewish firms enabled clothing peddlers to acquire experience, which was later used by the Jewish entrepreneurs to develop their own outlets that supplied to Jewish tradesmen exclusively (Speisman, 1979:72).

!

By 1910, a hierarchy developed in the Jewish salvage trades. Some of the prosperous Eastern European Jews became rag-processors, taking the stock primarily from Jewish rag-pickers. Others became purveyors of peddlers' supplies. Those who had acquired enough capital and reached the top of the scale, opened their own second-hand and pawnshops (Speisman, 1979:72).

By the early twentieth century, the Jewish garment manufacturing industry was flourishing, and networks between Jewish wholesale firms in Montreal<sup>6</sup> and independent Jewish manufacturers in Toronto were established (Speisman, 1979:73). The life span of such Jewish firms was prolonged as a result of the low overhead costs. Goods were produced more cheaply than by the large firms, new Jewish immigrants tolerated poor working conditions and longer hours because they preferred to work for Jews rather than non-Jews (Speisman, 1979:75). Since the firms would employ an entire family, and keep a readily available source of labour, (i.e., new immigrants) it was not surprising that the firms became exclusively Jewish. In addition, for those new ambitious entrepreneurs who wanted to expand or needed money to purchase raw materials, but could not offer security on a bank loan, they relied on organizations such as the Toronto Hebrew Ladies' Aid Society (1899-1915), who offered financial assistance among other relief services to recent arrivals (Speisman, 1979:147).

Furthermore, the immigrant Jews who owned or worked in the garment factories, preferred to send their children to school

rather than having them stay on in the factories. Consequently, from the period before the second World War, as more and more educated Jews attempted to seek employment outside the factory, anti-semitic sentiments<sup>7</sup> surfaced (Speisman, 1979:120). Many of the Jewish university graduates who sought careers in law, medicine or engineering, had experienced difficulty in finding employment within gentile firms, and they found themselves disguising their ethnicity. As a result, the Jewish professionals resisted discrimination by not applying for jobs where they knew they were unlikely to obtain them (Speisman, 1979:122). Since positions in the core economy were consciously avoided by many Jewish professionals, patterns of employment in exclusively Jewish enterprises became more widespread.

However, after the second World War, as a more powerful moneyed class began to emerge, a major shift in the occupational structure of the Jewish community took place. By the 1970s and 1980s, the Jews became increasingly professionalised, and many began moving into higher status positions in management and administration, social science, law, and medicine (Weinfeld et al., 1981:157).

Social scientists who have examined the Jewish elites of Toronto and Montreal in the 1970s, found that 16 to 20 men basically constituted the Jewish establishment, all of whom were well educated, successful businessmen or professionals, between the ages of 60 and 70, were residents of affluent sections of town, were members of select synagogues, private clubs, some were

related through marriage, and many were personally wealthy (Weinfeld et al. 1981:164).

The existing problem of discrimination and the persecution of Jews, put pressure on the community to unify and elect Jewish representatives to defend Jewish interests at the domestic level (i.e., condemning discrimination and anti-semitism), and by advocating open door immigration policies in the 1930s (Speisman, 1979:255). The Jewish elite represented a candidacy of advocates who took on leadership roles in organizations established to protect Jewish interests.

Organizations such as The Toronto Jewish Conference, The League for the Defense of Jewish Rights, for example, joined with similar organizations in Montreal, and Winnipeg, in advocating a revival of the Canadian Jewish Congress, whose primary objective was to protect the social and economic rights of Jews at both the local and national levels (Speisman, 1979:331-339).

The Canadian Jewish Congress, for example, attempted to keep immigration open in 1934 by guaranteeing responsibility for as many German-Jewish refugees as the government would admit (Speisman, 1979:339). In addition, the defense action group organized a boycott of German goods, kept Jews out of the public eye, and attempted to combat discrimination in employment and recreational facilities by lobbying the federal government (Speisman, 1979:339). Consequently, The Canadian Jewish Congress was more effective and successful in its national aspects than in the local ones; however, it did serve to bind Canadian Jewry

together (Speisman, 1979:339).

Leadership in the Italian community on the other hand, was described as decentralized and fairly weak (Jansen, 1988:42). Associations such as The Mutual Aid Society, The Italian National Congress, and the Centro Organizzativo Scuole Tecniche Italiane (C.O.S.T.I.) (i.e., a social assistance agency), were established each with their own president, often representing the interests of groups from one specific village of Italy (Jansen, 1988:38). Although the Italian community became "institutionally complete," leadership in the community remained feeble, and it did not compare with the effective ethnic interest group organized by the Jewish community in Toronto.

### 3. The Present Situation

Having looked briefly at the historical patterns of emerging enclave economies of the Italian and Jewish communities, it is evident that the early immigrants were not as homogeneous nor as organized as they later became. Both groups initially endured internal factions in the city of Toronto, and eventually came to associate with a unified identity as Italian- or Jewish Canadians.

The Italian group created kin-based communities in which family life and work took place within an all Italian environment; whereas, the Jewish group developed an elaborate philanthropic system that supported newcomers in their endeavour to establish small enterprises. In addition, the political involvement of the Jewish community served to minimize internal

differences and unify its members in order to save and support fellow ethnics who had been persecuted abroad. It can be argued that the Jewish community represented a major development in the life of immigrants coming to Canada in the twentieth century.

The Jewish immigrants came to Toronto in significant numbers at a time when the garment industry was expanding. Through entrepreneurial skill, Jewish immigrants established a foothold in this industry and in the retail trade, and eventually came to control significant resources (Reitz, 1982:34).

Similarly, Italian immigrants from the beginning of the twentieth century, concentrated as labourers in the construction industry. Italian firms even during the depression, had come to seize new opportunity, and especially in the post-war construction boom in Toronto (Reitz, 1982:34).

Presently, 21 per cent of Italians continue to be employed in construction, and product fabricating, assembling and repairing occupations (see Table 2.5). The 1986 Census also reveals that 20 per cent are now in managerial and professional occupations, and 42 per cent are employed in clerical, sales and service industries (see Table 2.5).

The Jewish group continue to concentrate in mostly managerial and professional occupations. Out of all the Jewish employed, 50 per cent retain high level occupations, and another 40 per cent are in clerical, sales, and service occupations (see Table 2.6).



TABLE 2.5

## Occupational Distribution of the Italian Population in Canada

	<u>Single</u>	<u>Multiple</u>	<u>Total</u>
All Occupations	413,345	125,430	538,775
Managerial, administrative and related occ.	35,375	12,730	48,105 ( 9%)
Professional + related occ.	39,005	21,575	60,580 (11%)
Clerical + related occ.	72,680	26,475	99,155 (18%)
Sales	39,890	13,480	53,370 (10%)
Service	54,340	17,730	72,070 (13%)
Primary occ.	6,765	3,965	10,730 ( 2%)
Processing	31,100	5,640	36,740 ( 7%)
Product Fabricating, assembling + repairing occ.	54,515	7,685	62,200 (12%)
Construction trades	46,300	6,675	52,975 (10%)
Other	33,375	9,475	42,850 ( 8%)

Source: 1986 Census (Profile of Ethnic Groups), Statistics Canada  
Cat. #93-154, 93-155.

TABLE 2.6

## Occupational Distribution of the Jewish Population in Canada

	<u>Single</u>	<u>Multiple</u>	<u>Total</u>
All Occupations	131,265	49,390	180,655
Managerial, administrative and related occ.	29,505	8,135	37,640 (21%)
Professional + related occ.	38,260	13,995	52,255 (29%)
Clerical + related occ.	22,640	8,915	31,555 (17%)
Sales	23,995	6,730	30,725 (17%)
Service	5,220	4,620	9,840 ( 5%)
Primary occ.	495	815	1,310 (0.7%)
Processing	1,565	880	2,445 ( 1%)
Product Fabricating, assembling + repairing occ.	3,975	1,745	5,720 ( 3%)
Construction trades	1,620	1,195	2,815 ( 2%)
Other	3,995	2,365	6,360 ( 4%)

Source: 1986 Census (Profile of Ethnic Groups), Statistics Canada  
Cat. #93-154, 93-155.

Both the Italian and Jewish communities continue to enjoy economic success and prosperity. The 1986 Census reveals that out of a population 15 years and over with income, 62,420 or 25 per cent of Jews and 76,865 or 11 per cent of Italians, reported having an average income of \$35,000 or over. As far as acquiring a higher education, 23 per cent of the Jewish population in Canada over the age 15, reported having obtained a university degree; whereas, only 6 per cent of the Italian population reported having obtained one (1986 Census).

Jansen (1988:129) reports that there was a belief that the second generation of Italians (i.e. immigrant offspring) did not generally aspire to or actually go on to post-secondary education. There were several reasons offered to explain the lack of higher educational achievement levels. The three major arguments were: (1) low levels of parental education resulting in possible feelings of inferiority vis-a-vis their children, (2) the inability of parents to assist their children with school work, and (3) the parents inability to communicate with teachers or administrators.

Notwithstanding their lower educational levels, the Italians have improved considerably considering that in 1981, 50 per cent of Italians were living in homes where the male parent had less than grade 9 education in comparison to 22 per cent of the total population (Jansen, 1988:130).

Both the Italian and Jewish immigrant populations, having struggled to achieve economic stability in Toronto, managed to

find a particular niche, in which they developed and adapted themselves over the years, establishing firm roots which have assisted their succeeding co-ethnics.

Having presented several historical and contemporary characteristics of the Italian and Jewish communities of Toronto, we can now proceed to the hypotheses and detailed description of the data set that will be used in the following analysis.

### CHAPTER 3

#### HYPOTHESES

The principal general hypothesis to be tested in this thesis is that the ethnic enclave constitutes a potential channel for upward mobility rather than a mobility trap (as suggested by Wiley, 1967). A major assumption is that the concept of ethnic enclaves can be generalizable to various ethnic groups even though their parameters may differ. This thesis is an attempt to establish the generalizability of the concept by using a comparative approach. (as suggested by Reitz, 1990; Weinfield, 1983; and Wilson and Portes, 1980) so as, to examine the labour market experiences of the Jews and Italians in Toronto.

The purpose of the extensive historical investigation in chapter two was to show how minority businesses and occupational concentrations at one point in time affect labour-market opportunities available to new groups of immigrants later in their development. As recommended by Reitz (1990), incorporating a historical perspective to the quantitative portion of such an analysis should shed light on the current labour market experiences of minority groups. I have chosen to focus my historical and quantitative analysis on only two groups, (Italian and Jewish) out of the seven analyzed by Reitz (1990). The dual comparison makes the quantitative material and historical experiences easier to incorporate. Further, I have constructed index variables for the statistical analysis in order to obtain well-defined measurements of the various concepts.

Why study the labour market experiences of Italians and Jews in Toronto? Well, the Italian and Jewish groups in the United States have been extensively studied by scholars who have found that, as products of different cultures, the immigrant groups brought to the New World, a unique European past which played an important part in setting the course of their American experience (Kessner, 1977:26). Similar cross-cultural investigations conducted to examine the Canadian experience are insubstantial. Therefore, any new light on the Canadian perspective may yield interesting and surprising results.

The American Italians and Jews were interesting to compare because both groups found progress through occupational mobility at different rates, and by different means.

The Italians, coming from a predominantly rural background, were part of a non-family immigration movement, who sought transient employment and brought along with them, a set of values for education, work, thrift, and ambition that differed from the ideas and attitudes of the Jews of Russia (Kessner, 1977:43).

The 'padrone' system of labour recruitment, (as discussed in Chapter two) was also part of the American experience in the late nineteenth century, which channelled new Italian immigrants into the construction trade. A pattern of ethnic succession evolved as Italians began to displace the Irish who originally were in unskilled street and construction work (Kessner, 1977:58). The Italian immigrants tended to stagnate in these lower blue-collar, low-skill sectors, which retarded their growth

into higher-status occupations (Kessner, 1977:70). However, over time the Italian-Americans achieved occupational mobility.

The Russian Jews, on the other hand, migrated as family units, seeking permanent settlement, as a result of economic necessities as well as, to escape persecution from the Old World (Kessner, 1977:35). Coming to America with considerable entrepreneurial experience, yet very little money, the Jews gravitated into somewhat more skilled sectors such as, the manufacturing trades (Kessner, 1977:63). The Jews began to replace Germans in the manufacturing industry (just as the Italians replaced the Irish), and by 1900, the Jews came to control New York's giant clothing industry (Kessner, 1977:63). The Jews were able to enter the general economy at a slightly higher level than other immigrant groups. It is not clear if an enclave economy was created by monopolizing the garment industry or if the Jews did in fact enter the general economy as Kessner suggests. Assuming the Jews did move into and created their own distinct enclave economy, Kessner (1977:65) explains that "it was business that carried the Jews forward".

The different rates of progress for both groups was a function of time and ethnicity, according to Kessner (1977). He argues, interestingly, that both groups managed to save money and both were thrifty, but the Jewish people, the "middlemen of Europe", brought more entrepreneurial savvy and middle-class values, than the Italians (Kessner, 1977:111).

Furthermore, in an effort to explain entrepreneurial success, McClelland (1961) measures the 'n-Achievement' (a personality variable measuring the need for achievement) of various individuals and groups. He argues that "occupational aspiration is a multiplicative function of n-Achievement, prestige (or difficulty) of the occupation, and probably of success, as affected by the social class status of the respondent" (McClelland, 1961:279). He found that entrepreneurs came principally from the middle classes because they were more apt to have higher n-Achievement from that background than if they came from a lower or an upper class background (McClelland, 1961:279). Perhaps the success of the Jews from Russia could also be explained by a similar hypothesis. According to Kessner (1977:68-111), the immigrants came with entrepreneurial experience and middle class values; therefore they landed higher on the status ladder than the Italians. The question is, were the immigrant Jews more apt to have higher n-Achievement than the immigrant Italians?

According to Rosen (1959:52), who presents tentative and suggestive data, Jews place a greater emphasis on independence and achievement training of their children than the southern Italians. The Jews, among other groups, were found to be more individualistic, activist, and future-oriented (Rosen, 1959:54). The data also revealed that Jews were more likely to possess achievement values and higher educational and vocational aspirations than Italians.



Turning to the Canadian experience, both groups are also well established due to their early ethnic concentration in the construction (i.e., the Italians) and textiles and retail trade industries (i.e., the Jews) in Toronto (Reitz, 1990; Speisman, 1979; Zucchi, 1983). We also know that Italians and Jews continue to be significantly segregated by occupation, by residence and they have experienced significant upward mobility (Reitz, 1990, Reitz, 1982; Zucchi, 1983; Speisman, 1979). Therefore, there is evidence of successful enclavic behaviour in the past and present; however, we do not know how the rate of participation in the ethnic enclaves compares among the two groups, nor what effects such participation may have on the mobility process.

The development and success of the ethnic enclave depends on the use of group resources and ethnic affinities such as, language, education, motivation, community institutions, and informal networks (Light, 1979; Wilson and Portes, 1980). Since it was found in the reviewed literature that kinship and ethnic ties became the basis for forming partnerships, securing loans, obtaining employment, patronage, credit, and establishing small businesses, I will investigate the existence of a link between the retention and use of ethnic group ties (informal networks) in the relevant communities and participation in the ethnic enclaves.

In addition to the behavioural patterns, individual group traits will be examined to show how individual attitudes determine a preference for or against group cohesion and

participation in the ethnic enclave.

Finally, the Jewish and Italian groups will be compared across three generations using retrospective data. Empirical evidence will also determine whether economic advantage or penalty accrues to participants in the economic enclaves of the two groups. In particular, the following questions will be addressed:

- (a) To what extent do the Italians and Jews participate in the ethnic enclave?
- (b) To what extent do informal networks in the two ethnic communities affect participation in the ethnic enclave?
- (c) How do attitudes about group cohesion affect the propensity to participate in the ethnic enclave?
- (d) Do patterns of intra-group economic behaviour persist beyond the immigrant generation?
- (e) To what extent is participation in the ethnic enclave associated with either economic benefits or losses for participants in both ethnic groups?

It has been found that the Jewish group has basically achieved equality, and the average occupational statuses and incomes is comparable to those of majority Canadians (Reitz, 1990:162). In fact the mean income for Jewish men is reported to be \$19,984, which is the highest reported income of all groups including the majority Canadians (Reitz, 1990:150). Basic equality has been achieved by the Jewish group; yet they still remain concentrated in an ethnic labour market.

Similarly, the Italians also tend to be more concentrated in the ethnic labour market, although they do not enjoy as high an occupational status and income (i.e., \$15,933) as the Jewish group, due at least in part, to the low levels of education attained by the Italian group (Reitz, 1990:162). The women in both ethnic groups tended to have lower incomes (i.e., \$8,400 on average).

Based on the findings, the current research will examine empirically the following hypotheses:

- I There is a positive relationship between ethnic retention and participation in the ethnic enclave.
- II There is a positive relationship between the use of informal networks and participation in the ethnic enclave.
- III There is a positive relationship between ethnic retention and informal networks.
- IV There is a positive relation between enclave participation and informal networks.
- V The stronger the attitude toward group cohesion, the stronger the propensity to participate in the enclave.
- VI The stronger the ability to function in the ethnic language, the stronger the propensity to participate in the enclave.
- VII The rate of participation in the ethnic enclave declines with each subsequent generation in both ethnic groups.
- VIII The Jewish group has higher rates of participation in the ethnic enclave than the Italian group.
- IX The Jewish group experiences higher economic benefits from the ethnic enclave than do Italians.

Therefore the present thesis will study the effects of ethnic retention, the use of informal networks, attitudes toward group cohesion, use of the ethnic language, and generational effects on the rate of ethnic enclave participation and the reward structure associated with it. The intentions of the Reitz study (1990:136), on the other hand, were to address a broader theoretical goal, which was to examine the impact that ethnic community social formations have as liabilities or assets in the social incorporation of seven ethnic groups (German, Ukrainian, Italian, Jewish, Portuguese, Chinese, and West Indian), using occupational status and income as indicators of social mobility. The present thesis, seeks only to examine the labour market experiences of the Italian and Jewish communities, using income as the indicator of social status within the ethnic enclave. The reasoning for such a decision is explained in Chapter Four.

In the Reitz study (1990), the seven ethnic groups were further broken down by gender, ethnic occupations, employees, employers, co-workers customers and so on. Using multiple regression, Reitz analyzed the effects of the variables within the cells independently of each other. In addition, Reitz (1990) used the survey as well as 1971 Census data, to measure ethnic occupational concentration.

The analysis by Reitz (1990) in general, was more extensive than the work undertaken for this thesis. Multiple groups were analyzed creating a larger sample size (N=1791, weighted N=1668). Furthermore, Reitz (1990) used the effects of ethnic

concentrations in labour markets to show the ethnic inequalities between the various groups. The present analysis of the labour market experiences of the Italians and Jews on the other hand, is concentrated and quantitatively detailed. It does not attempt to address a broader theoretical goal that incorporates all of the ethnic groups analyzed by Reitz. In the following section, the data set, the characteristics of the selected sample, and the method of research chosen for the present analysis will be discussed.

## CHAPTER 4

### DATA AND RESEARCH METHOD

The main source of empirical data for the thesis is drawn from a secondary analysis of a survey of 2,338 respondents in Toronto (1978, 1979). The study "Ethnic Pluralism in an Urban Setting" was principally investigated by professors Raymond Breton, Warren Kalback, Wsevold Isajiw and Jeffrey Reitz from the University of Toronto. The sampling design and field work were carried out by the York University Survey Research Centre.

The target population of individuals in the study consisted of all persons residing in the urbanized core of the Toronto Census Metropolitan Area or C.M.A. The target population for that survey were individuals who were members of the labour force or students, between the ages of 18 and 65 years. The 1971 Census was used to define the total population in the study. The interviews, lasting one and a half hours, on average, were carried out in 1978 and 1979. Interviews in the first two phases were distributed by ethnicity (as defined by the 1971 Census) and across three generations. Phase III included only the first generation due to the groups' relatively 'recent' arrivals in Toronto (Chinese, Portuguese and West Indians)<sup>8</sup>.

The selected respondents for the relevant analysis consist of full or part-time employees between the ages of 18 and 65 across three generations (for details see Table 4.1).

TABLE 4.1

Actual cases present

Ethnic Group	Generation			Total
	1st	2nd	3rd	
Italian	109 (46.2%)	53 (22.5%)	74 (31.4%)	236 (57.7%)
Jewish	75 (43.4%)	54 (31.2%)	44 (25.4%)	173 (42.3%)
	184 45.0	107 26.2	118 28.9	409 100.0

Number of Total Cases=409

Source: Data Set, Ethnic Pluralism in an Urban Setting,  
1978,79.

### A. Characteristics of the Sample

Over half of both the Italian and Jewish respondents were born in Canada (52.3% and 57.2%, respectively). Forty six per cent of the Italian respondents were born in Italy; whereas, a little over 10 per cent (11.6%) of the Jewish respondents were born in Poland. Another 8.7 per cent were born in the United States, and the remaining 22.5 per cent of the Jewish respondents indicated they were born elsewhere.

Of those who emigrated to Canada, 43.8 per cent of the Italian, and 31.9 per cent of the Jewish respondents indicated they expected to return to their homeland. Upon arrival to Canada, 90.1 per cent of the Italian respondents indicated they could speak no English at all; whereas, only 39.1 per cent of the Jewish respondents said they did not speak English. Further, 41.3 per cent of the Jewish respondents said they spoke English very well. The results are consistent with Richmond's (1967:26-32) finding, that nearly a quarter of the Italian group in 1961 spoke no English, but that 57 per cent of the Jewish group had English as their mother-tongue.

As far as residential settlement, both communities have historically been concentrated and segregated in the various areas of Toronto, as discussed in Chapter Two (Zucchi, 1983; Speisman, 1979; Richmond, 1967). However, the results of the survey indicate that the trend towards a homogeneous ethnic neighbourhood is slowly disappearing. About 43 per cent of Italian respondents said that the ethnic composition of their



previous neighbourhood was mostly the same as their own (i.e., Italian). The number had decreased to 31 per cent when they were asked about their present neighbourhood. The numbers are slightly less pronounced within the Jewish group, where 30.4 per cent said that their present neighbourhood consisted of mostly Jewish, and 34 per cent said that their previous neighbourhood was mostly Jewish.

About 90 per cent of the Italian and 76 per cent of the total employed respondents were working full-time. Italians were mostly in clerical (25.2%), machining (18.7%), professional and managerial (14 %) and construction (13 %) occupations (see Table 4.1). By contrast, Jews were over-represented in the professional and managerial fields (43 %). They also were in clerical (23 %) and sales (20.7 %) occupations (see Table 4.2). It should be noted that gender differences have not been accounted for because this would have further increased the cell distribution and reduced the sample size.

However, the Reitz (1990:165) study does differentiate between the sexes. Using the census data, Reitz created distinct index values for the ethnic occupational concentration that ranged from 0 through 16.8. According to his scale, Reitz argues that Italian men are 16.8 times more likely than others to work as masons or tilers, and are concentrated in other construction work (Reitz, 1990:165). They are also 14.4 times more likely to be barbers. Italian women on the other hand, are 11.5 times more likely than other women to work in textile

products, metal working, factory, and other work including in the construction industry (Reitz, 1990:165).

In the Jewish group, Reitz (1990:165) concluded that the men are 8.0 times more likely than other men to work in textile products, 6.0 times more likely to be physicians, 7.9 times more likely to be lawyers, and 3.5 times more likely to be university teachers. Jewish women are 3 or 4 times more likely to work in sales, and especially in real estate sales (Reitz, 1990:165).

There is some evidence of ethnic occupational concentration from the 1971 census data. Extensive ethnic occupational concentration for the Italian and Jewish groups was also found in the Reitz survey (1978, 1979), with the exception that women tended to be less concentrated than men.

**TABLE 4.2**  
Current Occupation

---

	Population	
	<u>Italian</u>	<u>Jewish</u>
	<u>%</u>	<u>%</u>
Professional & Managerial	14.0	43.0
Clerical	25.2	23.0
Sales	12.0	20.7
Services	8.3	2.4
Machining	18.7	7.1
Construction Trade	13.0	1.8
Other	<u>8.7</u>	<u>2.0</u>
Total	100.0	100.0
N	(236)	(173)

---

**Source:** Data Set: Ethnic Pluralism in an Urban Setting, 1978. 1979. Occupations were coded from the Standard Occupational Classification Book. Statistics Canada (1980) 12-565.

The average annual income for both groups was in the category \$9,000 to 11,999 <sup>9</sup>. About 33 per cent of the Italians surveyed and 64 per cent of the Jews, indicated that they had completed between 13 and 30 years of school.

Forty-five per cent of the Jewish respondents indicated that they had experienced discrimination because of their ethnic or cultural background. When asked specifically about treatment of Jews by employers, 45.8 per cent felt that they had experienced at least some discrimination. Only 25.4 per cent of the Italian respondents, by contrast felt they were discriminated against because of their cultural background, but 32 per cent felt they were not treated fairly by employers.

When respondents were asked how they would define themselves as Jewish / Italian, Jewish-Canadian / Italian-Canadian, or other, a large percentage responded positively to the identity Jewish-Canadian (42.1 per cent) and Italian-Canadian (50 per cent). When asked about blending into Canadian society, 50.8 per cent of the Jewish respondents disagreed or strongly disagreed that ethnics should try to blend into Canadian society. Only 19.1 per cent of the Italian respondents disagreed or strongly disagreed.

Italian respondents felt that the most important factors regarding the survival of the Italian way of life was to maintain the Italian language, whereas the Jewish respondents felt that maintaining religious practices was the most important factor for the survival of the Jewish way of life. Fifty four per cent of

the Jewish respondents identified themselves as Jewish-Conservative; 12.1 per cent. as Jewish-Orthodox, 20.8 per cent as Jewish-Reform. and the rest gave no preference. The majority (88.1%) of Italian respondents, on the other hand, defined themselves as Roman Catholics.

### **B. Limitations of the Sample**

As this thesis represents an attempt to examine the economic behaviour of the Italian and Jewish respondents, it was necessary to select for those respondents who were employed full or part time only. The respondents who indicated they were self-employed, were excluded from the analysis for three major reasons. First, not all of the indicators of the dependent variable (i.e., ethnic enclave participation index) apply to the self-employed group. For example, one of the indicators asks about the ethnicity of the respondent's supervisor. It is clear that the self employed would not have a supervisor. rather, he or she would have employees to supervise.

Second, Reitz (1990:143) argues there is a limitation with self-employment because a selection bias arises, since currently self-employed persons are relatively successful entrepreneurs "Failed entrepreneurs often return to employment. The remaining self-employed earn high incomes, but self-employment itself may lead to low incomes" (Reitz, 1990:143).

The final problem with self employment is that it is not always ethnic enterprise. Reitz (1990:173) found that less than half the self-employed men (42%) in the entire survey (includes

all eight ethnic groups) were in ethnic specialty. Only one-third (36.1%) supervised persons more than a quarter of whom belonged to their own ethnic group (Reitz, 1990:173). Furthermore, only half (53%) of the self-employed had more than a 'few' ethnic-group customers (Reitz, 1990:173).

The results of the current analysis support the arguments made by Reitz. A selection bias does arise. Out of 41 Italian and 97 Jewish self-employed respondents, 38 per cent of the Italians, and 47 per cent of the Jewish respondents reported incomes of \$25,000 or more.

About 51 per cent of the self-employed Italians reported having supervised at least 1 to 20 employees of the same ethnic background; whereas, only 34 per cent of the Jewish reported employing co-ethnics (See Table 4.3). About half (51%) of the self-employed Italians had about 'half' to 'almost all' ethnic-group customers. Only 22 per cent of the Jewish respondents indicated a Jewish clientele (See Table 4.4).

Another limitation with the data set is that, one is also limited by the selection of the variables from the data set. Since primary data were not collected for this thesis, it was necessary to rely on a pre-existing data set that was designed for specific areas of study. Unfortunately the survey was not designed for an in depth analysis on the emergence of ethnic enclaves in the city of Toronto.

TABLE 4.3

Number of workers employer supervises with the same ethnicity

Ethnic Group							Row Total
	None	1-5	6-10	11-20	22-50	Inap	
<u>Italian</u>	4 ( 9.5)	17 (41.5)	3 (7.3)	1 (2.4)	3 (7.3)	13 (31.7)	41 (29.7)
<u>Jewish</u>	28 (28.9)	29 (29.9)	2 (2.1)	2 (2.1)	-	36 (37.1)	97 (70.3)
Row Total	32 (23.2)	46 (33.3)	5 ( 3.6)	3 (2.2)	3 (2.2)	49 (35.5)	138 (100.0)

Chi-square=15.25

d.f.=5

significance=0.009

cramer's V=0.33

missing=1

TABLE 4.4

Proportion of customers with the same ethnicity

Ethnic Group	Proportion of customers with the same ethnicity					Row Total
	Few or none	<than 1/2	1/2	>than 1/2	all or almost all	
Italian	7 (18.9)	11 (29.7)	8 (21.6)	5 (13.5)	6 (16.2)	37 (29.6)
Jewish	34 (38.6)	35 (39.8)	13 (14.8)	5 ( 5.7)	1 ( 1.1)	88 (70.4)
Row Total	41 (32.8)	46 (36.8)	21 (16.8)	10 ( 8.0)	7 ( 5.6)	125 (100.0)

Chi-square=17.10  
d.f.=4  
significance=0.001  
cramer's V=0.37  
missing=13



### C. Research Method

In order to test the hypotheses, multiple regression is employed for three reasons. First, the relationships listed above appear to be linear theoretically as well as empirically. Second, it is intended in the following study to identify the differences in the rate of participation in the ethnic enclave between Italians and Jews. It is important to analyze each group separately, so as to determine the rate of participation at the individual level. The raw regression coefficients for each individual characteristic can be taken to measure its contribution to changes in the dependent variable. Third, the estimation of successive regression equations, with different combinations of variables included, permit inferences to be made about the potential structure of causal sequences.

### D. Dependent Variable

Participation in the ethnic enclave economy, the principal dependent variable of this thesis, is measured by five empirical indicators, each of which has been recoded into a categorical variable and then cumulated into an additive index<sup>10</sup>

(see Table 4.5 for the variables used in the construction of the dependent variable). The questions asked were inappropriate for several of the respondents, and several respondents indicated they did not know the answer. Therefore, a value of zero was given to the respondents who were not eligible to respond to the question. The remaining respondents fell into the missing cases category.

TABLE 4.5

Indicator variables used in the construction of the 'Enclave' index, recoded and percentage distribution.

=====

1. "What proportion of customers, clients, or others outside the company are of the same ethnic or cultural background?" (q131b)

	<u>Italians</u>	<u>Jewish</u>
	Per cent	
0.....none, inap	66.4	46.1
1.....all or almost all	<u>33.6</u>	<u>53.9</u>
	100.0	100.0
	N=226	N=167
	missing=10	missing=6

2. "Was your jobfinder of the same ethnicity?" (q126b)

0.....other	65.0	68.0
1.....Italian/Jewish	<u>35.0</u>	<u>32.0</u>
	100.0	100.0
	N=234	N=170
	missing=2	missing=3

3. "Are the people who manage this business or company also of the same ethnicity?" (q127)

	<u>Italians</u>	<u>Jewish</u>
0.....other	79.1	58.2
1.....same as self	<u>20.9</u>	<u>41.8</u>
	100.0	100.0
	N=234	N=170
	missing=2	missing=3

4. "Is your supervisor also of the same ethnicity?" (q128b)

	<u>Italian</u>	<u>Jewish</u>
0.....other	83.5	84.6
1.....same as self	<u>16.5</u>	<u>15.4</u>
	100.0	100.0
	N=231	N=169
	missing=5	missing=4

5. "How many of your co-workers are also of the same ethnicity?" (q129b)

0.....none	59.1	76.5
1.....1 thru 97+up	<u>40.9</u>	<u>23.5</u>
	100.0	100.0
	N=230	N=170
	missing=6	missing=3

=====

The variables were recoded into values of 0 for the dimension of 'very little or no participation in the enclave', and 1 for 'very high participation in the enclave'. The reliability coefficient for the five item additive index was  $\alpha=0.60$  for both groups, and the scale of participation ranged from 0 (low) through 5 (high). The specific variables (items), along with their frequency distribution and item-index correlation are shown in Table 4.6.

The enclave index includes a set of categorical variables that are used in the analysis to create a dependent variable that is both theoretically and empirically intuitive. It is assumed that the variables (items) combined in an additive index represent a more precise measure of the concept of ethnic enclave than any single item taken on its own.

#### **E. Independent Variables**

There are several index variables created and utilized as independent variables<sup>11</sup> in the analysis. The index variable 'ethnic retention' is comprised of six indicators associated with ethnic behaviour (see Table 4.7) The reliability coefficient for the six item index was  $\alpha=0.74$ , and the scale of retention ranged from 6 (low) to 30 (high). See Table 4.8 for items and their distributions, and item-index correlations.

TABLE 4.6

Items used to form Enclave index. Frequency Distribution, N and Item-to-index correlation.

Scale	<u>Italian</u> %	<u>Jewish</u> %	Items	<u>Italian</u> item index correlation	<u>Jewish</u> item index correlation
0..low	16.6	18.1			
1	30.9	21.2	Item 1	.5203	.5766
2	25.3	22.5	Item 2	.6586	.5865
3	15.2	20.6	Item 3	.6742	.7571
4	8.3	14.4	Item 4	.5647	.5074
5..high	3.7	3.1	Item 5	.5688	.5745
	N=217	N=160		N=217	N=160
	miss=19	miss=13			

TABLE 4.7

Indicator variables used in the construction of the 'Ethnic retention' index, and Percentages

1. "How often do you attend (group) dances, parties or informal social affairs?" (q77a)

	<u>Italians</u>	<u>Jewish</u>
	%	%
Never.....1	11.4	6.9
Very rarely.....2	11.0	9.2
Sometimes.....3	30.1	26.0
Fairly often....4	27.1	32.9
Frequently.....5	<u>20.3</u>	<u>24.9</u>
	100.0	100.0
	N=236	N=173
	missing=0	missing=0

2. "How often do you go to (group) vacation resorts, summer camps, etc?" (q77c)

Never.....1	75.4	5.2
Very rarely.....2	14.4	6.4
Sometimes.....3	8.9	14.5
Fairly often... 4	1.3	18.0
Frequently.....5	<u>00.0</u>	<u>55.8</u>
	100.0	100.0
	N=236	N=172
	missing=0	missing=1

3. "How often do you eat any food that is associated with (group) [English, but not typically Canadian,] holidays or special events?" (q77d)

Never.....1	5.9	3.5
Very rarely.....2	5.5	5.8
Sometimes .....3	15.3	17.9
Fairly often...4	16.5	25.4
Frequently.....5	<u>56.8</u>	<u>47.4</u>
	100.0	100.0
	N=236	N=173
	missing=0	missing=0

4. "How often do you eat any (group) [English, but not typically Canadian] food at other times? (q77e)

	<u>Italians</u>	<u>Jewish</u>
Never.....1	2.1	2.9
Very rarely....2	3.0	5.8
Sometimes.....3	12.7	18.5
Fairly often...4	20.8	29.5
Frequently...5	<u>61.4</u>	<u>43.4</u>
	100.0	100.0
	N=236	N=173
	missing=0	missing=0

5. "How often do you listen to (group) radio broadcasts or watch (group) television programmes [that are English, but not Canadian]?" (q77f)

Never.....1	23.7	9.4
Very rarely....2	8.9	10.5
Sometimes.....3	18.6	20.5
Fairly often...4	19.1	26.9
Frequently...5	<u>29.7</u>	<u>32.7</u>
	100.0	100.0
	N=236	N=171
	missing=0	missing=2

6. "How often do you read any (group) newspapers, magazines or other periodicals [that are English but not Canadian]? (q77g)

Never.....1	22.9	17.9
Very rarely....2	3.4	17.3
Sometimes.....3	11.9	23.7
Fairly often...4	17.4	9.8
Frequently....5	<u>44.5</u>	<u>31.2</u>
	100.0	100.0
	N=236	N=173
	missing=0	missing=0

=====

TABLE 4.8

Items used to form Ethnic Retention Index. Frequency distributions, N and Item-to-index correlations

Scale	<u>Italians</u> %	<u>Jewish</u> %	Items	<u>Italians + Jewish</u> item-index correlations
6	1.3	.6		
8	1.7	.6	Item 1	.6141
9	3.4	1.8	Item 2	.4271
10	2.5	4.1	Item 3	.7118
11	1.7	4.7	Item 4	.6583
12	5.1	4.1	Item 5	.7700
13	5.1	5.3	Item 6	.7414
14	7.6	9.4		
15	6.8	7.6		(N=406)
16	7.6	4.1		
17	7.2	7.1		
18	5.5	4.1		
19	4.7	4.7		
20	7.6	5.9		
21	6.8	12.9		
22	3.8	8.8		
23	5.9	3.5		
24	7.2	1.2		
25	2.5	4.1		
26	3.8	3.5		
27	1.7	.6		
28	.4	1.2		
29	.0	.0		
30	.0	.0		
	100.0	100.0		
	N=236	N=170		
	missing=0	missing=3		



Also included in the concept 'ethnic retention' (not included in the index), is an indicator pointing out the importance of one's ethnic or cultural background. The independent variable measures a respondent's feeling (see Table 4.9). It is hypothesized in the present paper that an accurate measure of ethnic retention should include both behavioural and attitudinal indicators.

The hypothesized index variable 'informal network' is comprised of two indicators concerning ethnic ties and closest friends. (see Tables 4.10) as well as a third independent variable illustrating the use of a network (i.e., family, relative, friend, neighbour) in finding the respondent's job (see Table 4.11).

The reliability coefficient for the two item index was  $\alpha=0.53$  and the scale of ethnic ties ranged from 2 (low) through 8 (high) (see Table 4.12). The third independent variable is recoded into two categories: if the respondent indicated a use of any of the above mentioned people as a resource, a value of 1 was given; if another method was used, a value of 0 was given (see Table 4.11).

TABLE 4.9

Independent variable 'Feeling', with Frequency distributions

=====

"How important is your ethnic or cultural background to you? Is it extremely important, very important, somewhat important, or not at all important to you?"

	<u>Italians</u>	<u>Jewish</u>
	%	%
Not at all important.....1	9.3	7.0
Somewhat important.....2	37.7	25.1
Very important.....3	37.7	40.9
Extremely important.....4	<u>15.3</u>	<u>26.9</u>
	100.0	100.0
	N=236	N=171
	missing=0	missing=2

TABLE 4.10

Indicator variables in the construction of the 'informal networks' index, and percentages

=====

1. "How close are the ties which you maintain with other (group) in Canada? Would you say .. " (q74a)

	<u>Italians</u>	<u>Jewish</u>
	%	%
Not at all close.....1	37.4	31.2
Not very close.....2	39.1	39.9
Moderately close.....3	17.0	20.8
Very close .....4	<u>6.4</u>	<u>8.1</u>
	100.0	100.0
	N=235	N=173
	missing=1	missing=0

2. "I would like you to think about your three closest friends who are not relatives. Of these three friends how many are (group)?" (q76a)

	<u>Italians</u>	<u>Jewish</u>
	%	%
None.....1	18.6	9.2
One.....2	24.2	12.7
Two .....3	14.4	22.0
Three.....4	<u>42.8</u>	<u>56.1</u>
	100.0	100.0
	N=236	N=173
	missing=0	missing=0

=====

TABLE 4.11

Independent variable 'Network', recoded with  
frequency distributions

=====

"Was the person who helped you get the job a member of your family, another relative, a friend, a neighbour, someone known through a previous job, or someone else?"

	<u>Italians</u>	<u>Jewish</u>
	%	%
Other.....0	54.2	55.5
Use network.....1	<u>45.8</u>	<u>44.5</u>
	100.0	100.0
	N=236	N=173
	missing=0	missing=0

TABLE 4.12

Items used to form 'Informal networks' index, frequency  
distributions, N and item-to-index correlations

Scale	<u>Italians</u> %	<u>Jewish</u> %	Items	<u>Italians + Jewish</u> item-index correlations
2	3.4	2.9		
3	5.5	5.8	Item 1	.7809
4	14.9	8.7	Item 2	.8646
5	16.6	10.4		
6	16.6	20.8		(N=408)
7	20.0	27.2		
8	<u>23.0</u>	<u>24.3</u>		
	100.0	100.0		
	N=235	N=173		
	missing=1	missing=0		

The third index variable, 'group cohesion' consists of five empirical indicators that measure an attitudinal dimension (see Table 4.13). The level of cohesion is indicated on an increasing additive scale with a reliability coefficient of  $\alpha=0.63$  (see Table 4.14).

The final independent index variable 'Lingua', measures the respondents' ability to understand, speak, read and write their ethnic language. The scale from one to four was recoded so that the value of 1 indicates having very little ability, and value 4 indicates exceptional ability. The questions asked were aimed for respondents whose mother tongue was English, but had some knowledge of the ethnic language. Therefore the respondents whose mother tongue was something other than English were not eligible to respond, and were given a value of zero. The reliability coefficient for the four item index was  $\alpha=0.65$ .

Refer to Table 4.15 for the frequency distributions of the indicators, and Table 4.16 for the index distributions and correlations.

TABLE 4.13

Indicator variables in the construction of the 'Group cohesion' index, and percentages

1. "When a (group) person is choosing a career he should think whether such an occupation will help (group) as a group."  
(q103a)

	<u>Italian</u>	<u>Jewish</u>
	%	%
Strongly disagree...1	3.0	1.2
Disagree.....2	24.5	16.5
Neutral.....3	3.4	3.5
Agree.....4	59.7	62.9
Strongly agree.....5	<u>9.4</u>	<u>15.9</u>
	100.0	100.0
	N=233	N=170
	missing=3	missing=3

2. "When a (group) is an employer he should try to place persons of (group) background into better jobs. (q103b)

	<u>Italian</u>	<u>Jewish</u>
Strongly disagree...1	1.3	2.9
Disagree.....2	19.8	12.8
Neutral.....3	1.3	2.3
Agree.....4	65.9	66.3
Strongly agree.....5	<u>11.6</u>	<u>15.7</u>
	100.0	100.0
	N=232	N=172
	missing=4	missing=1

3. "(Group) should encourage their children to marry (group).  
(q103d)

Strongly disagree...1	14.0	1.2
Disagree.....2	54.0	18.6
Neutral.....3	6.0	6.4
Agree.....4	22.6	41.9
Strongly agree.....5	<u>3.4</u>	<u>32.0</u>
	100.0	100.0
	N=235	N=172
	missing=1	missing=1

4. "(Group) should support special needs and causes of the group.  
(q103e)

	<u>Italian</u>	<u>Jewish</u>
Strongly disagree...1	.9	.0
Disagree.....2	20.2	4.6
Neutral.....3	7.0	2.9
Agree.....4	65.4	66.5
Strongly agree.....5	6.6	26.0
	<u>100.0</u>	<u>100.0</u>

N=228  
missing=8

N=173  
missing=0

5. "It is important for (group) children to learn to speak  
(group). (q103f)

Strongly disagree...1	1.3	2.3
Disagree.....2	16.7	25.0
Neutral.....3	3.9	7.0
Agree.....4	59.2	45.3
Strongly agree.....5	18.9	20.3
	<u>100.0</u>	<u>100.0</u>

N=233  
missing=3

N=172  
missing=1



Table 4.14

Items used to form the 'group cohesion' index. Frequency distributions, N and Item-to-index correlations

Scale	<u>Italians</u> %	<u>Jewish</u> %	Items	<u>Italians + Jewish</u> item-index correlations
5	-	-		
6	.9	-	Item 1	.5879
7	.9	-	Item 2	.5750
8	1.4	-	Item 3	.7414
9	1.4	1.8	Item 4	.6243
10	5.0	3.0	Item 5	.6425
11	5.0	3.0		
12	15.3	7.7		(N=390)
13	6.8	4.8		
14	18.0	11.3		
15	6.8	4.2		
16	10.8	23.8		
17	5.9	7.7		
18	9.0	13.1		
19	5.0	7.7		
20	1.8	3.6		
21	2.7	4.8		
22	2.3	2.4		
23	1.4	.6		
24	-	.6		
25	-	-		
	<u>N=222</u>	<u>N=168</u>		
	missing=14	missing=5		

**TABLE 4.15**  
Indicator variables in the construction of the 'Lingua'  
index, and percentages

1. "How well do you understand (**language**) when you hear others speak it? Would you say not at all well, not very well, fairly well, very well? (q14b)

	<u>Italians</u>	<u>Jewish</u>
	<u>%</u>	<u>%</u>
Inap.....0	81.8	47.4
Not at all well.....1	3.0	15.6
Not very well.....2	6.8	18.5
Fairly well.....3	6.8	12.1
Very well.....4	<u>1.7</u>	<u>6.4</u>
	100.0	100.0
	N=236	N=173
	missing=0	missing=0

2. "How well do you speak (**language**) yourself? (q14c)

Inap.....0	81.8	47.4
Not at all well.....1	1.3	9.2
Not very well.....2	3.8	10.4
Fairly well.....3	8.1	17.9
Very well.....4	<u>5.1</u>	<u>15.0</u>
	100.0	100.0
	N=236	N=173
	missing=0	missing=0

3. "How well do you read (**language**)? (q14d)

Inap.....0	20.8	16.8
Not at all well.....1	36.4	19.1
Not very well.....2	14.8	19.1
Fairly well.....3	13.1	11.6
Very well.....4	<u>14.8</u>	<u>33.5</u>
	100.0	100.0
	N=236	N=173
	missing=0	missing=0

## 4. "How well can you write (language)? (q14e)

	<u>Italian</u>	<u>Jewish</u>
Inap.....0	20.8	16.8
Not at all well.....1	35.2	15.6
Not very well.....2	13.1	12.1
Fairly well.....3	10.6	11.6
Very well.....4	<u>20.3</u>	<u>43.9</u>
	100.0	100.0
	N=236	N=173
	missing=0	missing=0

=====

TABLE 4.16

Items used to form 'Lingua' index, frequency distributions,  
N and item-to-index correlations

Scale	<u>Italians</u> %	<u>Jewish</u> %	Item	<u>Italian + Jewish</u> item-index correlations
0	20.3	16.8		
2	5.5	11.0	Item 1	.6251
3	2.5	1.7	Item 2	.6663
4	8.9	4.6	Item 3	.7608
5	3.0	6.9	Item 4	.7411
6	13.6	10.4		
7	3.8	8.1		(N=409)
8	36.9	15.6		
9	.4	7.5		
10	.4	1.2		
11	1.3	2.3		
12	1.7	4.6		
13	.8	2.3		
14	.4	.6		
15	.0	.6		
16	.4	5.8		
	100.0	100.0		
	N=236	N=173		
	missing=0	missing=0		

## F. Control Variables

There are six control variables utilized in the analysis, each of which could have significant effects on enclavic participation. The control variables are: age, sex, education, income, generation, and knowledge of the English language (see Table 4.17 for the frequency distributions). Education is measured in the number of years of full-time schooling completed. Annual income is measured in intervals of 2 to 4 thousand (before taxes)<sup>12</sup>. 'Generation' is used as a continuous interval variable in the analysis, although it is usually considered and conceptualized as a categorical independent variable (i.e., 1st, 2nd, 3rd).

Knowledge of the English language is an index variable measuring the respondent's ability to read and write English, assuming the respondent understands and speaks the language. The question was inappropriate for respondents interviewed in their ethnic language since their skills in English were not refined enough to answer the interview questions in English.

TABLE 4.17

Control Variables

	<u>Italian</u> %	<u>Jewish</u> %
1. Age: 18-65		
2. Sex:	M=59.7 F=40.3	M=50.3 F=49.7
3. Education: in yrs.		
2	.9	
3	1.3	.6
4	2.1	.6
5	14.0	
6	3.4	1.2
7	3.8	1.7
8	5.1	2.9
9	4.7	2.3
10	6.0	3.5
11	6.8	8.1
12	18.7	15.6
13	8.1	11.6
14	9.8	6.4
15	3.6	11.6
16	5.1	11.6
17	2.6	8.7
18	2.6	3.5
19	.4	4.0
20	4	2.9
21	-	1.7
22	-	.6
23	4	6
25	-	.6
	<u>100.0</u>	<u>100.0</u>
	N=235	N=173
	missing=1	missing=0

	<u>Italian</u> %	<u>Jewish</u> %
4. <b>Income:</b>		
Less than \$1,000.....1	.4	3.0
1,000-1,999.....2	2.2	1.8
2,000-2,999.....3	3.1	4.3
3,000-3,999.....4	2.2	1.8
4,000-4,999.....5	1.8	.6
5,000-5,999.....6	1.8	6.1
6,000-6,999.....7	4.0	6.1
7,000-7,999.....8	5.8	1.8
8,000-8,999.....9	5.8	1.8
9,000-9,999.....10	5.8	10.4
10,000-11,999.....11	17.0	15.2
12,000-13,999.....12	10.3	11.0
14,000-15,999.....13	14.3	10.4
16,000-19,999.....14	14.8	7.9
20,000-24,999.....15	6.3	6.7
\$25,000 - or more....16	4.0	11.0
	<u>100.0</u>	<u>100.0</u>

N=223  
missing=13

N=164  
missing=9

5. <b>Generation:</b>		
First.....1	46.2	43.4
Second.....2	22.5	31.2
Third.....3	31.4	25.4
	<u>100.0</u>	<u>100.0</u>

N=236

N=173

6. **Knowledge of the English language:**

(reading and writing index)

scale: not very well....1

fairly well.....2

very well.....3

English index:

0 inap	39.0	60.7
1	.4	-
2	20.3	3.5
3	3.0	1.2
4	8.1	6.9
5	1.3	1.7
6	28.0	26.0
	<u>100.0</u>	<u>100.0</u>

N=236  
missing=0

N=173  
missing=0

(Reliability of index: alpha=0.99)

## CHAPTER 5 RESULTS

In order to test the hypotheses, it is necessary to examine initially, sets of bivariate regressions, followed by full regression models that include various combinations of the selected independent and control variables, so that we can measure the individual direct and indirect effects.

First I examined the relationship between ethnic retention, a variable that includes the importance of ethnic background to the individual. The results in Table 5.1 show that ethnic retention has a significant positive effect with a raw regression coefficient,  $b=0.044$ , on enclave participation at the 0.05 significance level for the Italian group. However, there was no statistical significance for the Jewish group. On the other hand, the independent variable 'feeling' (i.e., the importance of one's ethnic background) is statistically significant at the 0.05 level, and has a slightly stronger positive effect ( $b=0.278$ ) for the Jewish group, but it was not statistically significant for the Italian group.

From the results of the relationship, it can be argued that the behavioural element of ethnic retention for the Italian group partially explains the propensity to participate in the ethnic enclave, while the attitudinal element for the Jewish group partially explains why its members participate in the enclave. The results lend support to hypothesis I, which states that there is a positive relationship between ethnic retention,



and participation in the ethnic enclave. The relationship has both empirical and practical significance and the results lend support to the notion that ethnic behaviour and values do affect economic behaviour.

Now, admittedly the results would have been more strongly supportive of the hypothesis had both factors been statistically significant for both groups. However, the difference raises interesting questions about the respective role of these two components of ethnic retention on the nature of, and extent of participation by Jews and Italians in the enclave economy.

The relationship between ethnic ties and the use of informal networks on the propensity to participate in the enclave economy, is significant ( $p < 0.01$ ) for both the Italians and Jews (see Table 5.1). The variable 'network' has a strong positive effect ( $b=1.004$ ) for the Italians, and a slightly stronger effect for the Jews ( $B=1.063$ ). The index variable ethnic 'ties' also has a significant positive effect ( $b=.205$ ) for the Italians, and ( $b=.202$ ) for the Jews. The amount of variance explained by the two independent variables excluding the control variables is quite high. It is 30% for the Italian group and 23% for the Jewish group. When an interaction effect of the two variables (ties by network) was tested, it was found to have a significant effect, which slightly increased the explained variance for the Italian group only (see Table 5.1).

This set of findings lend support to hypothesis II for both groups. The empirical evidence is consistent with the literature which argues that the retention and use of informal networks and ties, play an important part in participating in the enclave economy, where employment is obtained.

TABLE 5.1

Partial Raw Regression Coefficients, Unadjusted for the Control Variables. Dependent Variable: Enclave Index (Y1)

Independent# Variables	Italians			Jewish		
	b	SE of b	R <sup>2</sup>	b	SE of b	R <sup>2</sup>
<hr/>						
Hypothesis I						
X1	.044*	.021		.025	.025	
X2	.196	.123	.061	.278*	.110	.094
<hr/>						
Hypothesis II						
X3	.205**	.046		.202**	.060	
X4	1.004**	.156	.310	1.063**	.193	.226
<hr/>						
Interaction						
X3 * X4	.237*	.092	.331	.118*	.122	.242

- # X1' Ethnic retention  
 X2' Importance of ethnic background  
 X3' Informal networks (ethnic ties index)  
 X4' Use of informal networks (Network=1, other=0)

\*: p < 0.05 (F-test)  
 \*\*: p < 0.01 (F-test)

When examining the relationship between ethnic ties (as an intervening variable) on two independent variables ethnic retention, and the importance of ethnic background, we find that the effects are significant for both groups (see Table 5.2).

Ethnic retention' has a strong positive effect ( $b=0.188$ ) which is significant at the 0.01 level for the Italian group. Similarly, ethnic retention' has a strong positive effect ( $b=0.133$ ) on ethnic ties, and it is also significant at the 0.01 level for the Jewish group. The effects of the variable 'the importance of ethnic background,' are strong for the Jewish group ( $b=0.478$ ), but weaker for the Italian group ( $b=0.209$ ) where the relationship just fails to be significant (i.e.,  $p < 0.07$ ). However, the R-squared for the Italian group is .38 or (38%) and .32 or (32%) for the Jewish group, which reveals a relatively strong association.

Empirically and practically, the relationship makes intuitive sense and provides support to hypothesis III, which states that "there is a positive relationship between ethnic retention and informal networks". As ethnic retention increases, so does the use of informal networks. The results show the emergence of a pattern of ethnic behaviour that leads to economic behaviour through the use of informal networks.

In hypothesis IV, the regression of ethnic ties on enclave participation predicts a recursive effect. That is, as in hypothesis II, it was predicted that the relationship between ethnic ties and enclave participation would be positive:

similarly, the prediction in reverse is that there is a positive relationship between enclave participation and ethnic ties. The results indicate a significant positive effect ( $b=0.347$ ) for the Italian group and a slightly weaker effect ( $B=0.279$ ) for the Jewish group, at the 0.01 significance level. Since the regression involved a simple bivariate relationship, the strength of association for the recursive effect was weak for both the Italians ( $R\text{-squared}=0.08$ ) and Jews ( $R\text{-squared}=0.06$ ). However, the variables still have practical significance since it is logical to have an increased amount of informal networks if one has a higher propensity to participate in the ethnic enclave. It is in the enclave economy, where networks and ethnic ties are established.

TABLE 5.2

Partial Raw Regression Coefficients, Unadjusted for the Control Variables. Dependent Variable: Ethnic Ties Index (y2)

Independent# Variables	Italians			Jewish		
	b	SE of b	R2	b	SE of b	R2
<hr/>						
Hypothesis III						
X1	.188**	.021		.133**	.024	
X2	.209	.121	.378	.478**	.128	.315
<hr/>						
Hypothesis IV						
Y1	.347**	.080	.080	.279**	.090	.057

#: X1' Ethnic retention

X2' Importance of ethnic background

Y1' Enclave index

\*\* .  $p < 0.01$  (F-test)

Having examined the behavioural factor in the analysis, the attitudinal factor, emphasized in hypothesis V, hypothesizes that the stronger the attitude toward group cohesion, the stronger the participation in the enclave. The regression of enclave participation on group cohesion indicates a significant ( $p < 0.01$ ) positive effect ( $b=0.094$ ) for the Italian group, and a slightly weaker effect ( $b=0.077$ ) for the Jewish group ( $p < 0.05$ ) (see Table 5.3). However, the strength of association for the Italian and Jewish groups are quite small ( $R\text{-squared}=0.05$ ) and ( $R\text{-squared}=0.03$ ) respectively. The hypothesized relationship, nonetheless, is supported empirically.

In hypothesis VI, enclave participation is regressed on the ability to function in the ethnic language (see Table 5.3). The findings indicate a significant positive effect ( $b=0.062$ ) for the Italian group only, and no discernible statistical effect for the Jewish group. The empirical evidence, therefore, supports the hypothesis for the Italian group only. As the ability to understand, speak, read and write Italian increases, so does the propensity to participate in the Italian enclave. The finding for the Jewish group could be due to the fact that English is the mother tongue for most of Toronto's Jewish population; therefore the question might be considered inappropriate for the Jewish group of that city.

The rate of participation in the enclave was then broken down into three generations to examine any marked changes in participation. Hypothesis VII suggested that the rate of enclave

participation should decline with each subsequent generation for both ethnic groups. The results, however, do not reveal a significant decline for either of the groups (see Table 5.3). However, the effect ( $b=-0.197$ ) in the Italian group is negative and it is consistent with the prediction of a decline with each generation.

In the Jewish group, on the other hand, enclave participation continues to persist in each of the three generations (see Table 5.4). The crosstabulation suggests there is a curvilinear relationship between the variables, which could be indicating persisting enclave behaviour and/or its reemergence for the Jewish group. However, the high probability (.247) and the small chi-square (12.60)<sup>13</sup> indicate that it is likely that the two variables: enclave participation and generation (for the Jewish), are independent in the population. Therefore, we must fail to reject the null hypothesis that enclave participation is the same across the three generations. The results are not consistent with the prediction of a decline with each generation. The analysis is somewhat consistent with Reitz's (1990:184) findings, that ethnic occupations for the Italian respondents decline from one generation to the next, but persist for the Jewish group. Reitz (1990:186) also argues that the abandonment of Italian occupations leads to occupational-status mobility, and that there is the implication of upward mobility across generations. The findings for the Jewish group reveal, according to Reitz, that since ethnic occupations and work settings in the

Jewish group already include professional fields associated with high job statuses and incomes, and produce no disadvantages in relation to job qualification, the ethnic concentrations become stronger in the next generations (Reitz, 1990:186).

TABLE 5.3

Partial Regression Coefficients, Unadjusted for the Control Variables. Dependent Variable: Enclave Index (y1)

Independent# Variables	<u>Italians</u>			<u>Jewish</u>		
	b	SE of b	R2	b	SE of b	R2
<u>Hypothesis V</u>						
X5	.094**	.028	.051	.077*	.036	.030
<u>Hypothesis VI</u>						
X6	.062**	.027	.023	.008	.025	.000
<u>Hypothesis VII</u>						
X11	-.197	.109	.015	.003	.135	.000

#: X5' Group cohesion

X6' Knowledge of ethnic language

X11. Generation

\*: p < 0.05 (F-test)

\*\* : p < 0.01 (F-test)

Table 5.4

Jewish Only

		Generation			Row Total
col %		<u>First</u>	<u>Second</u>	<u>Third</u>	
Enclave Participation	0	19 (27.5)	12 (24.0)	9 (22.0)	40 (25.0)
	1	13 (18.8)	15 (30.0)	6 (14.6)	34 (21.3)
	2	13 (18.8)	13 (26.0)	12 (29.3)	38 (23.8)
	3	13 (18.8)	5 (10.0)	11 (26.8)	29 (18.1)
	4	10 (14.5)	3 ( 6.0)	3 ( 7.3)	16 (10.0)
	5	1 ( 1.4)	2 ( 4.0)	--	3 ( 1.9)
col total		69 (43.1)	50 (31.3)	41 (25.6)	160 100.0

Chi-square= 12.60

df=10

significance=0.24

cramer's V =0.20

missing observations=13



Moreover, when the two ethnic groups were compared in a crosstabulation (see Table 5.5), it was predicted that the Jewish group (all generations included) would have higher rates of participation in the enclave than the Italian group. The results in Table 5.5 reveal only slight disparities between the groups. The percentage of ethnics that scored high on the enclave index were very few. Since number five on the scale represents the highest level of enclavic participation possible, then it becomes evident that only 1.9 per cent of the Jews indicated high participation, which is slightly lower than the Italians (2.6%).

It appears that the Italian group has a slightly higher rate of participation in the enclave when examining the higher level of the scale. Although, more Italians (29%) have indicated very little or no participation in the enclave, than the Jewish group (25%). It is also evident that the Jewish group has a slightly higher rate of participation than the Italian group for some categories. However, the observed significance level in the crosstabulation is large (.387), and the value of the chi-square statistic is small (5.24); therefore, it is unlikely that the variables: enclave participation and ethnic groups, are related in the population. We must fail to reject the null hypothesis that the rate of enclave participation is the same for both Jews and Italians. The findings appear to contradict hypothesis VIII, which assumes the Jewish rates of participation would be consistently higher than the Italian rates.

TABLE 5.5

Ethnic Group	Row %	<u>Enclave participation</u>						Row Total
		0	1	2	3	4	5	
<u>Italian</u>		63 (29.0)	56 (25.8)	50 (23.0)	24 (11.1)	18 ( 8.3)	6 ( 2.6)	217 57.6
<u>Jewish</u>		40 (25.0)	34 (21.3)	38 (23.8)	29 (18.1)	16 (10.0)	3 ( 1.9)	160 42.4
Column Total		103 (27.3)	90 (23.9)	88 (23.3)	53 (14.1)	34 ( 9.0)	9 ( 2.4)	377 100.0

Chi-square= 5.24  
 d.f= 5  
 significance= 0.38  
 cramer's V= 0.12  
 missing=32

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The results concerning the final hypothesis (IX) point in the direction of a penalty accruing to Jewish participants in the enclave economy, and economic benefits awaiting those Italians who do participate (see Table 5.6). However, neither of the effects are statistically significant and cannot, therefore, lend empirical support to hypothesis IX. Reitz (1990:184) also found that income effects of ethnic occupations were near zero.

When looking at the full model regression, unadjusted for the control variables we find that in the Italian group, informal networks including ethnic ties have significant effects ( $b=0.163$  and  $b=0.341$  respectively), and explain 32 per cent of the variance; whereas, informal networks alone (excluding ethnic ties) have a significant effect ( $b=0.796$ ), explaining 23 per cent of the variance in the Jewish group (refer to Table 5.7).

Upon examining the effects of the control variables alone, the results indicate that sex and education have significant effects on enclave participation for the Italian group (see Table 5.8). The effect for the variable 'sex' was positive ( $b= 3.31$ ), and the effect for education was negative ( $b= -.114$ ). The results suggest that, as education increased for the Italian men, participation in the enclave decreased.

The control variables account for 10 per cent of the explained variance for the Italian group. For the Jewish group, the control variables (none of which had significant effects) managed to explain only 4 per cent.

TABLE 5.6

Bivariate Regression Coefficients. Unadjusted for the Control variables. Dependent Variable: Income (y3)

Independent Variable#	<u>Italian</u>			<u>Jewish</u>		
	b	SE of b	R2	b	SE of b	R2
Hypothesis IX						
Y1	.033	.186	.000	-.116	.235	.002

#: Y1' Enclave index

**TABLE 5.7**  
Regression Coefficients, Unadjusted for the Control Variables.  
Dependent Variable: Enclave Index

Independent Variables#	<u>Italian</u>			<u>Jewish</u>		
	b	SE of b	R2	b	SE of b	R2
X1	-.007	.026		-.001	.027	
X2	.097	.112		.115	.129	
X3	.163**	.063		.129	.081	
X4	.341**	.163		.796**	.204	
X5	.050	.030		.031	.041	
X6	.007	.029	.324	.008	.025	.233

# X1' Ethnic retention

X2' Importance of ethnic background

X3' Informal networks (ethnic ties)

X4' Use of informal networks (Network=1, other=0)

X5' Group cohesion

X6' Knowledge of ethnic language

\*: p < 0.05 (F-test)

\*\* : p < 0.01 (F-test)

**TABLE 5.8**  
Regression Coefficients, Control Variables only.  
Dependent Variable: Enclave Index  
Italians Jewish

Independent Variables#	b	SE of b	R <sup>2</sup>	b	b	R <sup>2</sup>
X7	-.017	.010		-.015	.010	
X8	3.310*	.208		2.800	.258	
X9	-.114**	.032		.064	.036	
X10	-.006	.029		.012	.033	
X11	.049	.159		.031	.164	
X12	.027	.047	.101	.044	.051	.039

#: X7 Age  
 X8' Sex (Male=1, Female=0)  
 X9' Years of education completed  
 X10' Annual Income  
 X11' Generation  
 X12' Knowledge of English

\*: p < 0.05 (F-test)

\*\* : p < 0.01 (F-test)

Furthermore, the results in the full model adjusted for the control variables, suggest that only the use of informal networks (including ethnic ties, for the Italian group only) have a significant positive effect on enclave participation for both ethnic groups, (see Table 5.9). The variance explained is 31 per cent for the Italian and 27 per cent for the Jewish group.

Interestingly, if we look at the full model, with income as the dependent variable, we find that higher educated, older Italian males tend to have higher incomes (see Table 5.10 for the raw beta coefficients, and significance levels). Similarly, higher educated Jewish males with higher language skills in both English and Hebrew, also tend to have higher incomes (see Table 5.10 for the corresponding raw beta coefficients, and significance levels).

Based on the results reported in this chapter, we proceed to the final chapter to discuss the findings.

Table 5.9

Regression Coefficients, Full Model, adjusted for the Control Variables. Dependent Variable. Enclave Index

Independent Variables#	Italians			Jewish		
	b	SE of b	R <sup>2</sup>	b	SE of b	R <sup>2</sup>
X1	-.011	.029		-.025	.028	
X2	.118	.115		.158	.132	
X3	.146*	.068		.115	.084	
X4	.646**	.181		1.658**	.215	
X5	.043	.033		.046	.043	
X6	.006	.032		.004	.025	
X7	-2.240	.010		.011	.010	
X8	-.453	.206		.049	.247	
X9	-.049	.033		-.033	.034	
X10	-.002	.027		.034	.032	
X11	.153	.167		-.019	.153	
X12	.012	.044	.305	.022	.049	.269

- #. X1' Ethnic retention index  
 X2' Importance of ethnic background  
 X3' Informal networks (ties) index  
 X4' Use of network (network=1, other=0)  
 X5' Group cohesion index  
 X6' Ethnic language index  
 X7' Age  
 X8' Sex (m=1, f=0)  
 X9' Yrs of education  
 X10' Income  
 X11' Generation  
 X12' Know English
- \*: p < 0.05 (F-test)  
 \*\*: p < 0.01 (F-test)



Table 5.10

Regression Coefficients, Full Model, adjusted for the Control Variables. Dependent Variable: Income

Independent Variables#	Italians			Jewish		
	b	SE of b	R2	b	SE of b	R2
X1	.059	.079		-.030	.079	
X2	-.028	.313		-.400	.360	
X3	.120	.186		.297	.228	
X4	3.225	.542		4.458	.641	
X5	-.074	.090		-.084	.117	
X6	-.090	.087		.145*	.070	
X7	.109**	.026		.012	.027	
X8	6.084**	.526		9.350**	.595	
X9	.231**	.090		.199*	.091	
X10	-.013	.202		.253	.239	
X11	.010	.454		.030	.417	
X12	-.122	.120	.247	.275*	.130	.327

#. X1' Ethnic retention index

X2' Importance of ethnic background

X3' Informal networks (ties) index

X4' Use of network (network=1, other=0)

X5' Group cohesion index

X6' Ethnic language index

X7' Age

X8' Sex (m=1, f=0)

X9' Yrs of education

X10' Enclave

X11' Generation

X12' Know English

\*.  $p < 0.05$  (F test)

\*\* $p < 0.01$  (F-test)

## CHAPTER 6

## DISCUSSION

The principal purpose of this thesis was to examine the nature of the ethnic enclave, as it applies to two minority groups: Italians and Jews. A comparative study was undertaken in order to establish the generalizability of such a phenomenon.

The results of the data analysis, based on the selected dependent variable (i.e., enclave index), show that informal networks and ties have a strong positive effect on enclavic participation, but the rate of enclavic participation among the Italians and Jews is quite low, with both groups having the same rate of participation.

Attitudes toward group cohesion were also found to positively affect participation in the enclave economy. Participation in the enclave did not necessarily decrease with each subsequent generation, in fact it persisted among the three generations in the Jewish group. Although the effects were not significant, the empirical evidence indicates zero effects on income for both groups, which does not support the notion that participation per se in the ethnic enclave is associated with either economic benefit or losses for each of the groups.

The results are not necessarily consistent with the prediction of Wiley's thesis of the ethnic mobility trap, where a career in the ethnic enclave would resemble a limb of a tree which leads primarily outwards and away from all serious chances of ascent.

Using the same survey, Reitz (1982:25) found that, Jewish men were more anglo-conformist (i.e., no language barriers such as, accent) than other groups, and it was argued that this accounted for their high occupational status. However, the mobility data shows that the Jewish group remains relatively distant from the majority (Anglo) group, yet, they still receive high levels of job rewards both absolutely and relative to human capital (Reitz, 1982:25). The implications are that the Jews participating in ethnic occupations, and not in the dominant group occupations, come to predominate in certain occupational spheres and thus they achieve significant economic benefits. Since the results in the present analysis yield zero effects, perhaps occupational status would have been a better measure of mobility.

The Italian group, on the other hand, does appear to represent a minority group that achieves high levels of reward within an ethnic occupational structure that is controlled by the group itself.

However, the regression effects presented by Reitz (1990:180) (for occupational-status as a reward), indicate that ethnic occupations for the Italian men have a strong negative effect on occupational-status ( $b=-0.447$ ), and a weak positive effect ( $b=0.064$ ) for Jewish men. Therefore, his results suggest that ethnic occupations have a discriminatory effect for the Italian men. These results also indicate there are larger discriminatory effects for women in both groups than for the men

(Reitz, 1990:180).

Although the survey limits the extent of information on enclavic behaviour, the historical evidence reported in this thesis has illustrated the emergence of ethnic enclaves, in which immigrants with sufficient capital aid in the recruitment of new immigrants to renew the enclave labour force. Preference in hiring fellow ethnics, combined with the reciprocal obligations attached to a common ethnicity, present new channels of mobility for immigrant workers, and for immigrant owners who establish authority and control along paternalistic lines, passing on their entrepreneurial skills. "A total economy in miniature", which parallels the existing mainstream or general economy is reproduced, where successful immigrants develop independent markets for labour, capital goods, services, and information.

Explanations that have been offered to account for the success of immigrants who participate within an enclave and have become self-employed, are numerous. The Disadvantage Theory and Cultural Approach seem to best explain why the Jewish group found their way into small businesses and became upwardly mobile.

The Jews in Toronto have suffered from institutional discrimination: they were kept out of majority group hospitals, law firms, schools, and higher status occupations. Consequently, the Jewish turned to self-employment, where they became occupationally distinctive by creating a niche in which cultural and economic roles became congruent. Their occupational distinctiveness produced an ethnic solidarity that enabled the

group to avoid and battle the discrimination.

Jewish group traits and behaviour patterns have also given them the 'edge' over other groups. As a spiritual group, they believe that their survival depends on cohesiveness (Speisman, 1979). A religious value is extended into an entrepreneurial value. When the Jewish respondents in the survey were asked why they thought ethnics should work alongside ethnics, 52.6 per cent replied that they simply "preferred" to work with their own kind.

The success of the Italian community, on the other hand, can be accounted for by the Interactive Approach. Italians were quick to capitalize on the salience of their ethnicity by recognizing a demand for ethnic products and services. The Sicilians in fruit retailing, and the Italians in the construction trades, are examples of how a group can use ethnic informal resources (i.e., network ties for the supply of labour), and the demands of the economic environment to generate entrepreneurship that leads to profitable enclavic firms.

Italian entrepreneurs were found to use language, kin-based networks, and ethnic affinities to gain access to markets and sources of labour. When respondents were asked why ethnics should work along ethnics, 64.2 per cent replied that they "could not speak English". The preference in hiring and supporting fellow immigrants in their economic ventures, combined with their mutual obligations attached to a common ethnicity, and the alternative channels of mobility, perhaps explain why immigrants may come to stay within an enclave economy.

There is no question that in order to understand the nature of the "ethnic enclave", as it applies to various ethnic minority groups, it is essential in the future to focus on comparative research. Such studies will enable social researchers to also understand the trend toward cultural pluralism, where ethnic identities are thought to be strengthened across generations.

As minorities become more and more organized, (economically and politically) demanding rights as members of groups rather than individuals and identifying more with their descent group, and as they become more "institutionally complete" (Breton, 1981), across the next generations, ethnicity in Canada remains salient. It continues to persist because of the very institutions that are built to respond to ethnic interests and needs. Since ethnicity in Canada has found new strengths expressed by multiculturalism (Porter, 1979), there is a need for further research in ethnic studies. Ethnic issues have been raised as policy issues that cannot be ignored.

Ethnic enclaves have great policy implications. If ethnic business success is a product of the immigrants' original endowments, it leaves little room for public intervention. This poses a concern for the employment-equity policy goal. The implication is that the government should discriminate by offering incentives to facilitate business activity for groups with special cultural traits (Reitz, 1990:137; Waldinger, Ward, Aldrich, 1985).

As minorities in Canada turn to their ethnic groups and communities for support, seeking asylum from discrimination, attempting to retain their ethnicity, exploring occupational opportunities by finding alternative channels for economic survival; and the more residentially segregated and ethnically stratified ethnic groups insist on becoming, the more exclusive they become. Inequalities are in fact arising from the concentration of ethnic groups in particular locations within labour markets (Reitz, 1990:135). Perhaps discrimination and racial tensions are repercussions of such exclusive behaviour, which in turn, perpetuate a vicious circle. Exclusive behaviour may add to ethnic diversity, however it does not necessarily contribute to a harmonious multicultural Canada.

What we actually have here are dominant groups and minority groups all using informal and formal social relationships based on ethnic exclusivity to further their own economic interest (Reitz, 1990:140). The Canadian government, in its attempt to implement a successful free trade policy and restructure the Canadian economy, will have to face and deal with the negative effects of both immigrant concentration and dominant group concentration in specific industries. Such are the very dilemmas and contradictions of a multi-ethnic society (Porter, 1979).

### ENDNOTES

1. Redlining refers to the mortgage-lending practices of banks, and particularly to the illegal practice of denying mortgage loans for properties located in districts inhabited by poor and minority populations (Brady, 1983).
2. Rotating credit associations are associations formed upon a core of participants who agree to make regular contributions to a fund which is given, in whole or in part, to each contributor in rotation (Light, 1972: ch. 2).
3. An expression used by the Minister of Citizenship, Hon. Bob Wong at the Ethnic and Race Relations committee meeting, on Thursday June, 21, 1990, at the North York Civic Centre, Toronto, Ontario.
4. Protected markets pertain to the special, culturally based tastes of ethnic minorities that can only be served by co ethnic business (Aldrich, Howard et al., 1985:997).
5. Padrone is the Italian term for boss. In the context of the early settlement the term referred to an Italian immigrant who acted as a labour agent.
6. Montreal was the centre for the importation of European cloth and the trade was almost an exclusively Jewish activity (Speisman, 1979:73).
7. Speisman (1979) argues that most Jews did not experience direct anti-semitism, except for slights noticed in the newspapers. "It was not, as a rule, national anti semitism like that of Russia, affecting all Jews; it was, rather, rooted in traditional religious prejudice and affected individuals rather than the entire group" (p.112-122)
8. For details of the sampling procedure, please refer to The Sample Design Report for the Study Ethnic Pluralism in an Urban Setting by Bharat N. Patal. York University Research Centre, 1978.
9. The findings are not consistent with the Reitz study because the selected sample for the current analysis is smaller (N=409) than the Reitz sample. In addition, gender differences are not accounted for in the present analysis.
10. The additive indices used throughout the analysis distinguishes the current investigation from the Reitz analysis.



11. It must be noted that within the index variables "Ethnic retention" and "Group cohesion", questions q77c, q77d, q77e, and q103d, q103e, q103f were miscoded in the original data tape. The professors of the original study, Wsevold Isajiw and Jeffrey Reitz from the University of Toronto corrected the coding error when they reported their findings in their recent articles (1990). However, they failed to report the errors to the investigators at the Survey Centre at York University who were responsible for conducting the survey. Therefore, researchers are left with a "dirty tape". Obviously miscoded errors have been reversed in the coding of the six questions mentioned above, and the same results revealed by Professors Isajiw and Reitz were reproduced before continuing this analysis.
12. Occupation was excluded from the analysis because of the large number of missing cases. To include both occupation and income in the model would lead to high multicollinearity. Therefore, it was decided to include income only.
13. Since the smallest expected frequency in Table 5.4 is 0.769, which is less than 1, and 22.2 per cent of the cells have expected frequencies less than 5, it is generally not a good idea to use the chi-square test. For future reference, the Fisher's Exact Test should be used instead of the chi-square test.

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