

# Education: An influencing factor for intergenerational mobility in Canada

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The relationship between the income levels of parents and their children once they reach adulthood is complex, but education could be one of the factors that influence Canadian intergenerational mobility. This

according to a study recently published by INRS (Institut national de la recherche scientifique) professor Xavier St-Denis and Statistics Canada researcher Gaëlle Simard Duplain in *Canadian Public Policy/Analyse de politiques*. The study looks at the role education levels play in intergenerational income mobility in Canada.

Most studies available on the subject present results based on national or regional [income](#) mobility, which can be used to make geographic and historical comparisons. "The underlying mechanisms at play in the relationship between the income of parents and the income of their children, including their [education levels](#) and job characteristics, hasn't been studied much in Canada," explained Professor St-Denis.

To measure the effects of [education](#) on intergenerational mobility in Canada, the two researchers looked at the data from Statistics Canada's Longitudinal and International Study of Adults (LISA), which covers the period from 1982 to 2014. "Our study shows that in Canada, a child's education level explains 40.5% to 50.1% of the correlation between a child's income once they reach adulthood and their parent's income," said Professor St-Denis. "That's similar to the results observed in the United States and the UK."

## **Income inequality repeated from one generation to the next**

According to the research results, social and economic inequalities occur early in life and have long-lasting effects.

The results also point to the existence of differentiation mechanisms that operate throughout the working lives of people with similar levels of education. "Intergenerational mobility partly results from the different characteristics in a child's environment, from their cumulative and

complementary effects. It also results from the time, financial resources, and [social capital](#) that parents with a higher income are more likely to invest in their children's education," said Professor St-Denis, who recently joined INRS's Urbanisation Culture Société Research Centre.

If the income of people living in a society is only marginally dependent on their parents' income, that society is said to have a high degree of intergenerational mobility. In other words, the context in which children grow and evolve does not depend solely on their parents' economic situation. Access to education, for example, could depend not on parents' ability to pay for it, but on the child's interest in pursuing their studies.

Inversely, when the income of individuals in adulthood is, on average, similar to that of their parents, inequalities are reproduced to a much greater degree from one generation to the next. This can result in intergenerational income immobility.

**More information:** Gaëlle Simard-Duplain et al, Exploration of the Role of Education in Intergenerational Income Mobility in Canada: Evidence from the Longitudinal and International Study of Adults, *Canadian Public Policy* (2020). [DOI: 10.3138/cpp.2019-072](https://doi.org/10.3138/cpp.2019-072)

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