BUILDING NEW SKILLS: IMMIGRATION AND WORKFORCE DEVELOPMENT IN CANADA

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Executive Summary

In the global race for talent, Canada has long been considered a world leader, notable for its ability to acquire skilled human capital through a carefully calibrated points system. Although many immigrants to Canada are selected for their skills, the past few decades have seen high unemployment among immigrants, raising concerns that Canada's immigration system is failing to live up to its promise. This suggests a pressing need for improved workforce development and employment services, but there is little evidence to guide the debate about where policymakers should target investments.

Workforce development policy in Canada is under provincial jurisdiction. Immigrants have access to a plethora of targeted and mainstream services provided by a wide range of actors, including school boards, colleges, universities, unions, community centers, and private and nonprofit organizations. In recent years, federal-provincial agreements have been expanded to ensure that individuals without employment insurance are covered, and the federal government has made funds available to support low-skilled and vulnerable workers. In addition, immigrant-specific services are increasingly innovative: examples of good practice include mentoring and "bridge training" (targeted education or training for those who need to plug a gap to meet Canadian professional standards).

Evidence suggests that immigrants are underrepresented both in individual and employer-provided training.

However, evidence suggests that immigrants are underrepresented both in individual and employer-provided training. An analysis of how mainstream and targeted services operate on the ground uncovers the following problems:

- ***Complexity.*** The complexity of service provision makes it difficult for immigrants and native workers to identify the services or training programs that best support their career objectives. This obstacle might be particularly detrimental for immigrants unfamiliar with local systems and with fewer personal and professional networks.
- ***Access.*** Job seekers may face obstacles to accessing training, ranging from funding to language barriers to arranging child care and transportation. These are likely to be more pronounced for immigrants.
- ***Evaluation.*** Workforce development programs are poorly evaluated, and it is yet unknown whether they have a genuine impact on immigrants' outcomes. Without this, it is difficult to identify areas for improvement, or to analyze the implications of immigrants choosing to access mainstream or targeted services.
- ***Returns.*** There is limited evidence on the returns on the training immigrants receive. What evidence exists suggests that small investments in training can "unlock" immigrants' human capital and enable them to move out of poverty. But little is known about which programs work, so it is difficult for migrants to identify the best programs and for policymakers to determine where to target investment. Moreover, training may be poorly matched with the needs of employers.

Going forward, there are a few areas to watch. First, some policymakers and stakeholders have raised questions regarding whether mainstream and targeted services should be integrated. It seems that immigrants prefer to use immigrant-specific services, suggesting that these services may serve their needs better. But it is costly and possibly inefficient to run two parallel systems.

Second, there is an emerging consensus that the system has been too supply driven and has failed to adequately involve key stakeholders, such as employers. Evidence suggests that where employers design training, identify skill sets, and provide internships or on-the-job training, programs have lasting positive results. But engaging employers is hard: they have little incentive to provide on-the-job training if their business consists of mostly low-skilled workers, or is too small for investments to be viable.

I. Introduction

The challenges that Canadian immigrants face are well-documented.[1] Many newcomers find it difficult to obtain work commensurate with their skills and abilities. As a result, immigrants are increasingly concentrated in low-wage jobs. But while many agree on the need for effective and accelerated integration of immigrants into the Canadian labor market,[2] there has been little systematic analysis of what enhancements are required. In particular, research on the role that broader workforce development policy can play in meeting the needs of immigrants has been limited. This is surprising, given that the objectives of workforce development policies in most Canadian jurisdictions have shifted from a narrow focus on labor market efficiency to a more inclusive focus on increasing the participation of underrepresented groups, attracting and retaining talent, and enhancing competiveness. This report addresses this knowledge gap by analyzing these systems from the perspective of the immigrant population.

Many newcomers find it difficult to obtain work commensurate with their skills and abilities.

The report begins with an overview of the structure of Canada's workforce development systems. It then examines programs specifically targeted to immigrants and analyzes the extent to which Canada's workforce development policies meet immigrant needs. Finally, the report identifies ways that governments and other stakeholders can improve the quality and availability of workforce training for immigrants. Although the federal government has responsibility for overall macroeconomic policy in Canada, most policy instruments relating to human resource development are under provincial jurisdiction. The report uses the province of Ontario (Canada's largest province, and home to over half of Canada's immigrants)[3] to illustrate workforce development provisions at the provincial level, though it should be noted that provincial approaches in this area vary significantly across Canada.[4]

1 For a recent discussion of the labor market outcomes of Canadian immigrants, see David Green and Christopher Worswick, "Immigrant Earnings Profiles in the Presence of Human Capital Investment: Measuring Cohort and Macro Effects," *Labour Economics* 19, no. 2 (2012): 241–59.

2 Naomi Alboim, *Adjusting the Balance: Fixing Canada's Economic Immigration Policies* (Toronto: Maytree Foundation, 2009), www.maytree.com/wp-content/uploads/2009/07/adjustingthebalance-final.pdf.

3 Ontario is home to 54.9 percent of Canada's immigrants. Karen King, "The Geography of Immigration in Canada: Settlement, Education, Labour Activity and Occupation Profiles" (working paper, Series: Ontario in the Creative Age, Martin Prosperity Institute, Toronto, March 2009), www.martinprosperity.org/media/pdfs/Geography-of-Immigration-in-Canada-KKing.pdf.

4 For a thoughtful discussion of how federal-provincial relations constrain policymaking in the area of training and workforce development, see Donna Wood and Thomas R. Klassen, "Bilateral Federalism and Workforce Development Policy in Canada," *Canadian Public Administration* 52, no. 2 (2009): 249–70.

II. The Mainstream Workforce Development System

Canada has seen sweeping changes to the funding architecture of workforce development over the past 15 years.[5] Training policy is framed and financed through negotiations between the federal and provincial and territorial governments. The division of responsibility between the federal and provincial governments is set out in several agreements including the Labor Market Development Agreements (LMDAs), which assign responsibility for programs serving individuals eligible for employment insurance; and the Labor Market Agreements (LMAs), which set out responsibility for individuals without employment insurance.[6] By creating LMAs in 2007, the federal government sought to address concerns about the limited access to training of those ineligible for employment insurance. Alongside this structural change, it made an additional CAD $500 million available annually to low-skilled workers. More recently, the government has introduced a number of agreements targeting specific vulnerable groups, such as Aboriginals and persons with disabilities.[7]

For clients who are eligible for employment insurance, the LDMAs secure access to a range of employment programs, known as Employment Benefits and Support Measures. These programs include active employment measures that aim to help Canadian residents gain the tools, experience, and skills needed to find and keep jobs. All of these programs are administered by the provinces and include a broad range of services, such as prior learning assessment, career exploration, job search information, résumé preparation, skills upgrading, and job placement programs that offer experience in new fields of work. While most provinces rely on third-party service provider networks to deliver these programs, a few of the smaller provinces, such as New Brunswick, provide some services directly.

Canada has seen sweeping changes to the funding architecture of workforce development over the past 15 years.

For individuals ineligible for employment insurance, provinces and territories deliver a wide range of programs through LMAs and other funding sources. For example, many provinces fund community-based literacy programs. Other provinces also fund workplace literacy programs for the employed. For instance, the British Columbia Ministry of Jobs, Tourism, and Skills Training uses LMA funding to provide workplace literacy and essential skills training targeted to individuals employed in certain industries who lack training certification or essential skills.[8]

5 Policymaking in federal political systems is inherently more complex than in unitary systems because it must necessarily begin with a discussion of which level of government should take action. See Wood and Klassen, "Bilateral Federalism and Workforce Development Policy in Canada."

6 Employment insurance benefits are available to unemployed individuals across Canada who meet the following eligibility criteria: they have paid premiums into the employment insurance account (through payroll deductions); have lost employment through no fault of their own; have been without work and without pay for at least seven consecutive days in the previous 52 weeks; have worked the required number of insurable hours in the last 52 weeks or since their last employment insurance claim (whichever is shorter); are ready, willing, and able to work each day; and are actively looking for work. The required number of insurable hours varies according to one's place of residence and the regional unemployment rate, and ranges between 420 and 700 hours. Service Canada, "Employment Insurance Regular Benefits," www.servicecanada.gc.ca/eng/ei/types/regular.shtml#eligible.

7 Labor market programming targeted to Aboriginals is delivered through agreements associated with the Aboriginal Skills and Employment Training Strategy (ASETS), by an extensive network of service providers. Programs for persons with disabilities are delivered through the Labor Market Agreements for Persons with Disabilities (LMAPDs), which are bilateral, cost-sharing agreements between the federal government and provinces. See Human Resources and Skills Development Canada (HRSDC), "ASETS Background," www.hrsdc.gc.ca/eng/employment/aboriginal_employment/strategy/index.shtml.

8 See Camosun, "Looking for Employee Excellence?" updated December 2012, http://camosun.ca/business-services/contract-training/new-funding.html for more information. Other provincial workplace training programs that receive Labor Market Agreement (LMA) funds include: the Workplace Essential Skills Training (WEST) program in Alberta, Workplace Education Manitoba in Manitoba, the Workplace Essential Skills service in New Brunswick, the Workplace Education Initiative in Nova Scotia, Workplace Learning PEI in Prince Edward Island, and Workplace Essential Skills Saskatchewan (WESS) in Saskatchewan.

When they were launched, the LMDAs, LMAs, and other special agreements were billed as a new training architecture, but in practice, funds have been used in a rather ad hoc way. Moreover, there is concern over the extent to which vulnerable groups actually benefit from these new agreements, however these concerns are difficult to verify due to a lack of transparency and the complex nature of the funding and governance systems. Many provinces have started the process of service delivery integration and transformation, and a significant debate remains on how to finance the expansion of adult learning opportunities in a manner that shares the costs equitably among the state, individuals, and employers.

Box 1. Types of Training in Canada

Generally, the training components of the various types of workforce development programs can be organized into three broad categories:

- **Foundational learning programs,** such as literacy programs and language training courses, that aim to enhance basic skills for further learning or employment
- **Higher education programs,** including vocational training, programs leading to a postsecondary diploma, degree, or certificate, or a professional designation
- **Other labor market-related programs,** such as continuing education courses or short certificate programs (e.g., for forklift operators) that are not part of a credentialed postsecondary education program.

Across Canada, a wide range of providers deliver all three types of programs, including school boards, colleges, universities, unions, community centers, and other nonprofit organizations.

Source: Compilation from authors' research and findings.

A. Ontario

The government of Ontario administers a range of employment and training services through several different ministries. The Ministry of Training, Colleges, and Universities is responsible for the majority of these services through its employment and training service network, Employment Ontario. This service was established in 2007, and underwent major reforms in 2010 in order to streamline many employment and training functions and provide a client-centered "one-stop shop" where individuals can access a full range of employment support services. Employment Ontario currently serves more than 1 million people, including employers, laid-off workers, apprentices, older workers, newcomers to Canada, and youth.[9]

Despite the broad reach of Employment Ontario, a significant proportion of individuals with employment and training needs are served through programs administered by other ministries. For example, while individuals receiving social assistance are eligible to receive services through Employment Ontario, they are primarily served through the Employment Assistance Service administered by the Ministry of Community and Social Services.[10] In 2010-11 the Ministry of

9 Ontario Ministry of Finance, Commission on the Reform of Ontario's Public Services, *Public Services for Ontarians: A Path to Sustainability and Excellence* (Ontario: Ontario Ministry of Finance, 2012), www.fin.gov.on.ca/en/reformcommission/.

10 Like the United States, Canada has a two-tier unemployment compensation system consisting of unemployment insurance (the employment insurance program) and unemployment assistance (referred to as "social assistance"). Social assistance includes financial and employment assistance provided to those who are in financial need and who are not entitled to unemployment insurance through the employment insurance system or whose entitlement to this insurance has expired. Eligibility is based on a needs test that considers several factors, including income, family size, and assets. Social assistance may be compared to US welfare programs funded through the Temporary Assistance for Needy Families (TANF) program.

Community and Social Services spent more than $200 million on employment support for social assistance clients.[11]

And the Ministry of Economic Development, Trade, and Employment oversees several economic development initiatives that include a training component, such as the Strategic Jobs and Investment Fund (SJIF), the Eastern Ontario Development Fund, and the Southwestern Ontario Development Fund. SJIF is a discretionary grant program that aims to support "leading-edge investments and jobs in Ontario" with a focus on four key sectors: green technology, financial services, information and communication technology, and life sciences. The Eastern Ontario and Southwestern Ontario Development Funds are also discretionary funding programs and are available to established businesses and economic development organizations, including municipalities. Currently, these initiatives exist largely as pilot projects and are not part of systematic programming. Although the Ministry of Training, Colleges, and Universities seeks to use these initiatives to foster links, economic development programs largely operate separately from Employment Ontario.

B. Access to Workforce Development

The governments of both Ontario and Canada have introduced a host of provisions designed to support job seekers, in particular the most vulnerable. But some practitioners have questioned whether these translate into consistent, effective services for all workers.[12]

Some of the main problems include the complexity of the workforce development system, obstacles to accessing funding, and the absence of employer engagement:

- ***Complexity.*** Canada's workforce system has long been criticized as chaotic and maze-like. The absence of guidance for those moving between the components of training programs is especially problematic. For example, a student who completes a general equivalency degree (GED) program[13] will not necessarily receive guidance on how to enroll in postsecondary education and may not, in fact, meet the basic standards for admission, since some postsecondary programs do not accept a GED as an alternative to a high school diploma. In addition, students might find it difficult to assess the quality of the services available and there is limited academic and career counseling to assist them with this process.[14] In these ways, short-term training programs may be dead ends, not leading to further education or higher-wage jobs.

- ***Funding.*** For those individuals who do not receive social assistance, are ineligible for employment insurance, or do not qualify for programs targeted to specific groups such as recently laid-off workers (and thus have to rely on their own finances), the structure of funding systems can make it difficult to access training. Because federal and provincial financial aid systems are designed to provide young people with support to pay for their initial education; they may not meet the needs of adults with families to support. Even learners with a modest family income and asset base may be ineligible for student loans.

11 Ontario Ministry of Finance, Ministry of Community and Social Services, *Estimates 2010-11* (Oshawa, Ontario: Ministry of Finance, 2010), www.fin.gov.on.ca/en/budget/estimates/2010-11/volume1/mcss_en.pdf.

12 A recent Canadian study, for example, found that practitioners reported: a general lack of client access to timely and sufficient training funds; questionable quality, flexibility, and availability of training options; a gap between career development services and adult education; and a lack of clear pathways between the myriad adult education options. For details, see Karen Myers, Heather Smith Fowler, Dominique Leonard, and Natalie Conte, *Career Development Services and Skills Development Programs: Gaps, Innovations, and Opportunities* (Ottawa: Social Research and Demonstration Corporation, 2006), www.srdc.org/uploads/cds_report_en.pdf.

13 An exam offered in the United States and Canada that provides a qualification equivalent to a high school diploma.

14 An extensive review of Canada's adult education and training systems in selected provinces concluded that not only is Canada's adult learning system complex and fragmented, but information about adult learning opportunities is often unclear and guidance is virtually nonexistent. See Karen Myers and Patrice de Broucker, *Too Many Left Behind: Canada's Adult Education and Training System* (Toronto: Canadian Policy Research Networks, 2006), http://cprn.org/documents/43977_en.pdf.

- ***Employer Engagement.*** Short-term training programs may not prepare job seekers for the jobs available in the local labor market. More broadly, conventional workforce development programs have been criticized for being overly "supply driven" because they emphasize service delivery to jobseekers at the expense of developing connections to employers.[15] There is growing consensus that the system would benefit from more employer involvement in signaling what jobs are available, identifying desired skills, helping design curricula, and offering on-the-job training and internships to trainees.[16]

Immigrants are eligible for any Employment Ontario program and are not excluded on the basis of their immigrant status. But in practice, each of the obstacles to access outlined above may have a disproportionate impact on migrants. As nontraditional learners, migrants often have families to support, constraining any investment in training. Similarly, the overly supply-driven nature of Canadian workforce development systems may have greater impact on immigrants. Employers already face difficulties understanding how to effectively incorporate immigrants into their workforce; the absence of vehicles for employer consultation can exacerbate this problem further.[17]

As nontraditional learners, migrants often have families to support, constraining any investment in training.

In part, as a response to these challenges, the province and the federal government fund a host of employment and training opportunities specifically for immigrants. Although usage patterns have not been systematically studied, there is some anecdotal evidence to suggest that immigrants may prefer to use these specialized services over mainstream services.

III. Workforce Development for Immigrants

A. The Need for Specialized Employment and Training Programs for Immigrants

Ontario was particularly hard hit by the recent global recession; the province accounted for 60 percent of Canada's job losses in 2009. Newly arrived immigrants fared especially badly. During the peak of the economic downturn from 2008 to 2009, immigrants with permanent residence status lost almost

15 Leitch Review of Skills, *Prosperity for All in the Global Economy — World Class Skills: Final Report* (London: HM Treasury, 2006), http://webarchive.nationalarchives.gov.uk/+/http:/www.hm-treasury.gov.uk/media/6/4/leitch_finalreport051206.pdf; Boris Palameta, Karen Myers, David Gyarmati, and Jean-Pierre Voyer, *Learning and Active Employment Programs: A Review of Results from Canadian Program Evaluations of LMDA's* (Ottawa: Social Research and Demonstration Corporation, 2010); Pamela Meadows, *What Works with Tackling Worklessness?* (London: London Development Agency, 2006), www.london.gov.uk/mayor/economic_unit/docs/worklessness.pdf; Jennifer Freeman and Judith Taylor, *Beyond Welfare-to-Work: Helping Low Income Workers Maintain Their Jobs and Advance in the Workforce* (Boston: Jobs for the Future, 2002), www.jff.org/sites/default/files/BeyondWTWReten.pdf.

16 Palameta, Myers, Gyarmati, and Voyer, *Learning and Active Employment Programs*; Social Capital Partners, *Recommendations to Commission for Review of Social Assistance* (Toronto: Social Capital Partners, 2012), www.socialcapitalpartners.ca/images/uploads/docs/SARReportFinal.pdf.

17 For example, see Sandra Lopes and Yves Poisson, *Bringing Employers Into the Immigration Debate: Survey and Conference* (Ottawa: Public Policy Forum, 2004); Vadim Kukushkin and Douglas Watt, *Immigrant-Friendly Businesses: Effective Practices for Attracting, Integrating and Retaining Immigrants in Canadian Workplaces* (The Conference Board of Canada, 2009), www.wpboard.ca/english/pdfs/Immigant-Friendly_Businesses_CBC.pdf.

55,000 jobs.[18] In 2011, Ontario's unemployment rate for very recent immigrants was among the highest in Canada, at 15.7 percent. In addition, immigrants are more likely to live in poverty than their Canadian-born counterparts. In 2009, among immigrants who had lived in Ontario for less than five years, 23.8 percent were classified as low-income. Among those in the province for ten years, 19.1 percent were living in poverty. Both of these figures are significantly higher than the overall low-income rate of 13.1 percent.

It is important to note that the fortunes of immigrants began declining long before the global recession. Recent waves of skilled immigrants — despite having higher levels of educational attainment than the rest of the Canadian population — have experienced large and growing employment and earnings deficits relative to Canadian-born workers.[19] Two major reasons for this are a lack of usable, workplace-relevant literacy skills in one of Canada's official languages and an absence of well-defined career pathways for those with foreign-acquired qualifications.

In terms of language proficiency, almost one-quarter (24.9 percent) of immigrants with permanent residence status in Ontario in 2011 had no English or French language capability.[20] Most immigrant-targeted programming provides basic language training, but this may not develop the high-level language skills that employers want. Indeed, there is considerable evidence that skilled immigrants score significantly lower than the Canadian born (with equivalent levels of educational attainment) on core literacy skills such as reading, document use, and numeracy.[21] Gaps in these domains contribute significantly to earnings gaps, especially between highly educated immigrants and their Canadian-born counterparts.[22]

Recent waves of skilled immigrants... have experienced large and growing employment and earnings deficits relative to Canadian-born workers.

More broadly, although a significant proportion of Ontario's immigrants may have extensive foreign-acquired credentials or work experience, they are likely to lack knowledge about the structure and requirements of Ontario's labor markets. Gaps in existing assessment tools and the absence of services focused on career-oriented skills enhancement can exacerbate this problem. In addition, Canadian employers are rarely well positioned to evaluate foreign-acquired skills and credentials. The lack of clearly defined pathways for skill assessment, recognition, and upgrading means that even highly educated immigrants, who were selected on the basis of their potential professional contributions to Canadian society, are often unable to fully utilize their skills or realize their labor market potential.

18 Citizenship and Immigration Canada defines a permanent resident as "someone who has acquired permanent resident status by immigrating to Canada, but is not yet a Canadian citizen. Permanent residents have rights and privileges in Canada even though they remain citizens of their home country;" see Citizenship and Immigration Canada, "Understand Permanent Resident Status," www.cic.gc.ca/english/newcomers/about-pr.asp.

19 Marc Frenette and René Morissette, "Will They Ever Converge? Earnings of Immigrant and Canadian-born Workers over the Last Two Decades," *International Migration Review* 93, no. 1 (2005): 228-57; David Green and Christopher Worswick, "Earnings of Immigrant Men in Canada: The Roles of Labour Market Entry Effects and Returns to Foreign Experience" (paper prepared for Citizenship and Immigration Canada, Department of Economics, University of British Columbia, 2002); Garnett Picot and Arthur Sweetman, "The Deteriorating Economic Welfare of Immigrants and Possible Causes: Update 2005" (Analytical Studies Research Paper 262, Statistics Canada, Ottawa); Jeffrey Reitz, "Immigrant Success in the Knowledge Economy: Institutional Changes and the Immigrant Experience in Canada, 1970-1995," *Journal of Social Issues* 57, no. 2 (2001): 579–613; and Jeffrey Reitz, "Immigrant Employment Success in Canada, Part II: Understanding the Decline," *Journal of International Migration and Integration* 8, no. 1 (2007): 37–62.

20 Citizenship and Immigration Canada, "Facts and Figures 2011— Immigration Overview: Permanent and Temporary Residents," www.cic.gc.ca/english/resources/statistics/facts2011/permanent/13.asp.

21 Statistics Canada, *Building on our Competencies: Canadian Results of the International Adult Literacy and Skills Survey* (Ottawa: Statistics Canada), www5.statcan.gc.ca/bsolc/olc-cel/olc-cel?catno=89-617-XIE&lang=eng.

22 Ana Ferrer, David. A. Green, and W. Craig. Riddell, *The Effect of Literacy on Immigrant Earnings* (Ottawa: Statistics Canada, 2004); Aneta Bonikowska, David A. Green, and W. Craig Riddell, *Literacy and the Labour Market: Cognitive Skills and Immigrant Earnings* (Ottawa: Statistics Canada, 2008).

B. *Employment and Training Programs Targeted to Immigrants*

Over the past decade, the Ontario government has made significant investments in programs and services to help newcomers settle, receive language training, and become job-ready and licensed in their field. Ontario provides four major types of employment and training programs, outlined as follows.

1. Employment Support Services

While a non-trivial proportion of immigrants do use mainstream employment services, according to a 2012 survey by the Ontario Council of Agencies Serving Immigrants, some immigrants report experiencing language barriers in communicating with the employment services staff and receiving inadequate support finding work commensurate to their skills and experience.[23] As a result, immigrants may prefer to access services through agencies specifically targeted to immigrants. One large Ontario-based immigrant serving organization, COSTI Immigrant Services, offers tailored services such as a program to assist individuals with international experience to obtain Canadian work related to their skills or professional backgrounds. Clients are given the opportunity to establish effective work-search strategies and are given support in identifying mentorship, placement, and employment opportunities in line with their professional field. Immigrants may perceive this type of specialized service as more valuable than generic job search support or résumé writing workshops.

2. Bridge Training Programs

Bridge training programs were designed and developed to assist new immigrants who had completed their basic professional education in other countries and required additional education or training to meet Canadian licensing requirements and professional standards. Their goal is to provide carefully tailored training in cultural, technical, or literacy skills to promote the rapid integration of migrants into the Canadian system. For example, the bridge training program for architecture is a 14-week series that includes architectural academic training, language training for the profession, more general instruction on the Canadian workplace, and employment services including mentoring and internship placements.[24] Within Ontario, there are numerous examples of bridging programs that are specific to particular occupations and sectors (e.g., health, financial services, and information technology).

3. Mentoring

Ontario has several mentoring programs. The Toronto Region Immigrant Employment Council (TRIEC) runs the most well-developed of these. Its program helps internationally trained individuals build professional networks and gain knowledge of the Canadian labor market by matching them with qualified mentors in their fields. The program also provides employers with the opportunity to engage with internationally trained individuals, with the hope that this will improve employer attitudes around the hiring and retention of a diverse workforce.

4. Internships

Work experience programs, such as paid internships for internationally trained workers, benefit both the employer and the intern. Employers reach a new talent pool and can test an employee without making a commitment, while interns have the opportunity to demonstrate their abilities and gain all-important experience in the Canadian workforce. One example is the Career Bridge program (operated by Career Edge, a national nonprofit organization), which coordinates paid internships for internationally trained mid-level professionals who have been in Canada for less than three years.

23 Ontario Council of Agencies Serving Immigrants (OCASI), *Making Ontario Home* (Toronto: OCASI, 2012), www.ocasi.org/downloads/OCASI_MOH_ENGLISH.pdf.

24 Ministry of Citizenship and Immigration, "Ontario Bridge Training: Architecture," February 22, 2010, www.citizenship.gov.on.ca/english/keyinitiatives/bridgetraining/architecture.shtml#1.

C. *Language Training Programs for Immigrants*

Language is critical to immigrants' ability to find employment and successfully integrate into their new society. Ontario, like most provinces, provides numerous types of language training, each designed for particular skill levels, groups of learners, and purposes. Although the federal government funds most language training, the programs tend to be administered at the provincial level, and delivered by contracted third-party organizations. The only exceptions are the specialized language training pilots that the Ontario government funds directly (see below).

1. Language Instruction for Newcomers to Canada

Language Instruction for Newcomers to Canada (LINC) is the main language-training program in most Canadian jurisdictions, including Ontario. In 2008 to 2009, LINC expenditures were about $172 million, for the management and delivery of basic language training to an estimated 55,000 adult immigrants.[25] LINC training is available at basic and intermediate levels of language proficiency. Schools, universities, settlement organizations,[26] and community organizations offer these services free of charge to adult permanent residents. LINC spending has increased dramatically in recent years: in 2004 to 2005, program expenditures were $94 million and served 52,000 learners. The new expenditures helped the program keep pace with the rising costs of programming, infrastructure, teacher salary and benefits, and child-minding and support services.[27]

2. The Enhanced Language Training Initiative

The federal government launched the Enhanced Language Training (ELT) initiative in 2003 to 2004 in order to provide higher levels of language training than LINC. While LINC is a generic language program that provides training without regard for the labor market intentions of the newcomer, ELT offers higher-level instruction designed exclusively for newcomers who aim to enter the labor market as quickly as possible. It is offered in all Canadian jurisdictions, and provides job-specific language training in Canada's two official languages. Under ELT, immigrants may also access employment services such as mentoring and work placement.

3. Occupation-Specific Language Training

Occupation-specific language training (OSLT) helps newcomers learn the vocabulary they need to work in their field. OSLT is funded by Citizenship and Immigration Canada and delivered through 13 Ontario colleges. This is a special initiative that is available only in Ontario, although other provinces may have roughly similar initiatives. At the request of Citizenship and Immigration Canada, Colleges Ontario developed OSLT for newcomers in a variety of occupational fields, including health care, business, technology, construction, automotive, and human services.[28] OSLT also provides information about the sociocultural skills needed at Canadian workplaces.

25 Citizenship and Immigration Canada, "Evaluation of the Language Instruction for Newcomers to Canada (LINC) Program," www.cic.gc.ca/english/resources/evaluation/linc/2010/impact.asp.

26 Settlement organizations are nonprofit agencies throughout Canada that serve newly arrived immigrants by providing services such as language classes, job training, housing assistance, and legal information.

27 Citizenship and Immigration Canada, "Evaluation of the Language Instruction for Newcomers to Canada (LINC) Program," www.cic.gc.ca/english/resources/evaluation/linc/2010/impact.asp.

28 Specific occupations targeted in OSLT programming include those of accounting personnel, hospitality workers, dental hygienists, nurses, personal support workers, early childhood educators, police and security officers, bricklayers, carpenters, electricians, plumbers, automotive service technicians, architectural technologists, engineering technologists, information technologists, and computer programmers, among others.

4. Specialized Language Training Pilot Projects

Specialized language training pilot projects are available to both unemployed and employed immigrants in key occupational sectors. The Ontario Ministry of Citizenship and Immigration funds these pilots through its Specialized Language Training Program. As of 2012, 21 district school boards across Ontario are delivering the services;[29] individuals or employers can contact school boards directly to access programs. Companies can also opt to have language programs delivered at their worksites and tailored to their specific needs.

There is general consensus that mentorship, internship, and bridge training programs are effective in helping new immigrants acquire the additional skills they need to meet employers' expectations and enter the labor market at a level commensurate with their training, education, and experience. Ontario has been recognized as a Canadian leader in bridge training for skilled immigrants, and the provincial government has supported the work of a wide variety of organizations to develop, deliver, and sustain projects across a number of sectors, including both regulated and unregulated professions.

In addition to specific employment and language training programs, some innovative crosscutting initiatives have recently emerged. For example, the Toronto Region Immigrant Employment Council (TRIEC) is a multi-stakeholder council that brings leadership together to create and champion solutions to better integrate skilled immigrants in the Toronto region labor market. The council is engaged in a wide range of activities including connecting businesses to programs that can help them better recruit and retain immigrants and helping immigrants build their professional connections through mentoring and professional immigrant networks. The council is widely recognized for its successful work with employers in promoting the inclusion of immigrants in the workplace.

D. Funding and Access

Canada's student financial aid system is designed for young people; most working-age adults — including immigrants — do not qualify for assistance. Ontario has recently responded to this gap by introducing the Ontario Bridging Participant Assistance Program, which provides scholarships of up to $5,000 to cover direct education costs (tuition, books, and equipment) for participants attending approved bridge training programs offered by Ontario colleges or universities. To be eligible, immigrants must be internationally trained Canadian citizens, permanent residents, or refugees living in Ontario. They must demonstrate a financial need, must be restricted from accessing regular student financial aid, and must not receive other provincial financial support for training. Financial need is determined by the postsecondary institution offering the bridge training.

There is an ongoing debate in Ontario about whether programs targeted to immigrants should be integrated with other employment and training programs.

In addition, the federal government is currently piloting a program to offer loans to new Canadians to help them achieve certification or licensing in Canada. Money can be used to pay for tuition, books, or even living expenses. During the training period (a maximum of 12 months), individuals only need to make the monthly interest and life insurance premium payments. Regular loan payments begin six months following completion, and can be paid off over five years.

29 Ontarioimmigration.ca, "Learn English or French: Specialized Language Training in Ontario," www.ontarioimmigration.ca/en/learn/OI_LEARN_SPECIALIZED.html.

Currently, employment and language training programs targeted specifically to immigrants are largely delivered outside of Employment Ontario's delivery network of employment agencies. There is an ongoing debate in Ontario about whether programs targeted to immigrants should be integrated with other employment and training programs.[30] The advantage of integration is that it may provide more seamless and efficient delivery and most importantly, provide immigrants with access to a wider range of programs and services. But a potential disadvantage is that targeted services may better serve the specialized needs of immigrant clients — as immigrant service agencies are quick to point out.

IV. Effectiveness of Workforce Development for Immigrants

There is little systematic research on the effectiveness of workforce development programs for immigrants. Given the level of debate on this issue, the relative value of various services is a potentially important area for further study. Currently, only a limited snapshot can be constructed from access and participation patterns alongside immigrants' own perceptions of the utility of employment and training programs and services.

Canadian immigrants are less likely to participate in job-related training than their Canadian-born counterparts. A recent Statistics Canada study using data from a nationally representative survey found that immigrants were significantly less likely to have participated in job-related training than natives at any point over a five-year period.[31] Canadian immigrants who were born in Asia were almost 10 percent less likely than those born in Canada to have participated in job-related education or training. A lack of participation in employer-sponsored training appears to be a major driver of these unequal participation patterns. While studies indicate that participation patterns in non-employer-supported training are similar for both immigrants and those born in Canada, immigrant participation in employer-sponsored training tends to be lower.[32]

Canadian immigrants are less likely to participate in job-related training than their Canadian-born counterparts.

Although immigrants are less likely to participate in job-related education and training than their Canadian-born counterparts, there is some emerging evidence that the payoff is significant for those who do. Training may enable immigrants to move out of low-wage jobs,[33] "unlock" human capital acquired abroad, and increase future earnings. Evidence also suggests that these outcomes may be greater for immigrants than Canadian-born workers. Thus, small investments in training post-migration may enable undervalued, pre-migration human capital to become valued in the local labor market at or near the

30 The 2012 Commission on the Reform of Ontario's Public Services report recommended: "The value of these investments should be leveraged against complementary services already offered through Employment Ontario. Immigrant employment and training services should be integrated with mainstream employment and training services."

31 Gugsa Werkneh and Tracy May Musni, *Adult Learners: Engaging the Disengaged* (Ottawa: Human Resources and Skills Development Canada, 2012).

32 Jose Galdo, Marcel Voia, and Christopher Worswick, *Do Human Capital Investments Pay Off for Less Educated Workers?* (Ottawa: Human Resources and Skills Development Canada, 2012), using the Canadian Survey of Income Dynamics.

33 Lisa Kaida, "Do Host Country Education and Language Training Help Recent Immigrants Exit Poverty?" *Social Science Research* 42, no. 3 (May 2013): 726-41. If immigrants whose household income was below Statistics Canada's low-income cut-off (LICO) two years after arrival go to school, they are more likely to exit poverty two years later (i.e., four years after arrival) than those who made no such investment in education.

level of equivalent training acquired in Canada.[34] Moreover, migrants with existing credentials (e.g., a trade certificate or a college diploma) who invest in post-migration training have a higher chance of exiting poverty than migrants without credentials.[35] Skills that immigrants bring from abroad may thus contribute to their learning success in the host country if paired with Canadian labor market experience or recognized qualifications.

From the perspective of the target audience, little evidence exists on the overall effectiveness of provincial employment and training programs and services. However, an Ontario-wide survey of over 2,500 immigrants found that a large proportion (83 percent) of respondents had used one or more settlement support services.[36] According to qualitative analysis that accompanied the survey, employment and skills training services vary a great deal across the province, both in terms of availability and quality. While some programs offer internships with significant stipends and boast a high rate of post-internship employment, others do not offer any stipends at all and have lower rates of subsequent employment. Practitioners emphasized the importance of mentoring, internships, and bridging programs in providing immigrants with "Canadian experience" as well as the possibility of developing professional networks that may lead to jobs. But they cited long waiting lists as evidence that these programs are insufficient to meet demand. Practitioners also reported that immigrants living in smaller towns have problems accessing these programs or must live away from their families to do so, and that those directed to services provided by Employment Ontario often encounter language problems and receive inadequate support from staff.[37]

V. Conclusions

Recent years have seen significant innovation in the design and delivery of labor market training programs for immigrants, effectively resulting in an immigrant workforce development system that runs parallel to the mainstream workforce development system. The immigrant-focused system recognizes the unique needs of immigrants and seeks to meet them through a distinct menu of programs. While greater coordination would improve the ability of providers to refer clients to needed services across the two systems, it is unclear whether an integrated system would be able to continue to meet the specific needs of immigrants, such as language and cultural support or help understanding the Canadian workplace.

It is difficult to adequately weigh the advantages of integrating the two systems without more evaluation as to how their programs work. Very little systematic evaluation of workforce development initiatives is carried out. While innovative programs like bridge training are commonly thought to be highly effective,

34 Galdo, Voia, and Worswick, *Do Human Capital Investments Pay Off for Less Educated Workers?* For immigrants, these authors find that wage impact ranges are positive, ranging from 7.7 percent to 19.1 percent for men and from 13.5 percent to 17.4 percent for women. These estimates for immigrants are higher than estimates for the general population, which range from 9.9 to 10.3 percent wage growth for men and 9.3 to 11.5 percent wage growth for women. Similarly, Kaida's study based on the Longitudinal Survey of Immigrants to Canada finds that formal education (e.g., in trade schools, colleges, and universities) in the host country increases the possibility of exit from low-wage jobs. A college diploma produces substantial benefits for those who are already highly educated and for minorities. See Kaida, "Do Host Country Education and Language Training Help Recent Immigrants Exit Poverty?"

35 This may be because of the specialized skills and credentials tied to specific job titles (e.g., law clerk, dental hygienist, pharmacy assistant), which a college degree provides in a relatively short period of time. Alternatively, a college degree may allow immigrants to moderate the economic impact of human capital they attain after arriving in the host country.

36 OCASI, *Making Ontario Home*. The 2011 Ontario Council of Agencies Serving Immigrants Making Ontario Home study is based on a province-wide survey of, supplemented by qualitative data from focus groups with selected groups of immigrants. Its purpose is to develop a deeper understanding of which immigrant and refugee needs are being met and how; which groups are well served and why; why some newcomers do not use settlement services; and how the settlement needs of immigrants and refugees across the province may best be served.

37 Ibid.

whether they are sustainable on a larger scale is unclear. More rigorous evaluation is required to assess their scalability and to identify opportunities to increase their effectiveness.

A central area of concern is that programs are, at present, unresponsive to employer needs. There are frequent calls for more employer engagement, and for better-coordinated programs that respond to employer demands. For example, the 2012 Commission on the Reform of Ontario's Public Services called for specific attention to currently underleveraged sources of jobs for immigrants, including in strong employment sectors (e.g., financial services) and small and medium enterprises.[38]

In particular, workforce development programs in Canada would benefit from a more client-centered, system-wide approach to the provision of specialized services for immigrants. Such an approach should also seek to involve all relevant stakeholders, including service providers, colleges, universities, employers, employer associations, professional associations, and regulators. Some initiatives such as the Toronto Region Immigrant Employment Council have already recognized the importance of including stakeholders; however, such programs are more an exception than the rule, as most of the system remains far from coordinated.

Workforce development programs in Canada would benefit from a more client-centered, system-wide approach to the provision of specialized services for immigrants.

As the Ontario government works to improve and streamline service delivery, it should continue to provide appropriate immigrant-specific services and ensure that immigrants can easily access mainstream services. This will require a systematic assessment of what services immigrants need and how they access these services.

38 Ontario Ministry of Finance, Commission on the Reform of Ontario's Public Services, *Public Services for Ontarians.*

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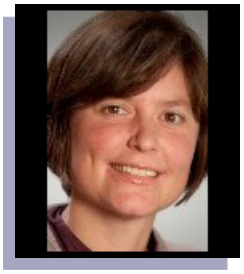

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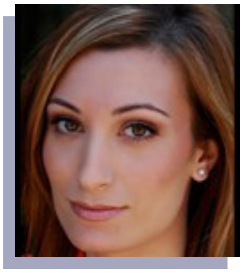

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