




**Future
Skills
Centre**

Centre des
**Compétences
futures**

 State of Skills Report

What Works for Newcomer Integration



LOCATIONS

Across Canada



PUBLISHED

August 2024



CONTRIBUTORS

Christian Noumi,
*Research and Evaluation Associate at
FSC*

Gordon Chan,
Innovation Lab Manager at FSC

KEY INSIGHTS

- 1** Industry-specific, employer-driven initiatives have been successful in accelerating and enhancing the employment prospects of newcomers. The collaborative approach of engaging with employers directly improved the relevance of the training and curriculum delivered and facilitated connections between employers and newcomers post-training.
- 2** Training delivered to newcomers on Canadian workplace culture was crucial for supporting the job search and integration of newcomers. Projects found that the program component that most effectively supports newcomers in their job searches is to educate them on Canadian workplace culture. This includes providing information about verbal and non-verbal communication, sector-specific professional language, and expectations regarding self-advocacy. By providing explicit training on Canadian workplace culture, newcomers integrated more quickly into the labour market.
- 3** Projects that focus on building social capital and expanding newcomer-employer networks have seen success in creating a shared purpose among attendees and fostering deeper relationships. These projects have organized networking events, workshops, mentoring and other activities that provide opportunities for newcomers to enlarge their professional networks and engage with supportive communities.

The Issue

Immigration is a key driver of Canada's labour force growth, innovation and economic prosperity, including on a per capita basis. Landed immigrants and permanent residents already account for 23% of Canada's population, and more than 80% of labour force growth comes from immigration. This trend will continue, as Canada aims to welcome 500,000 newcomers per year in 2025 and 2026, a record target.

In fact, Canada has the largest skilled labour migration program among Organisation for Economic Co-operation and Development countries and attracts the highest-educated immigrant population among this group. Despite the overall success of Canada's immigration system, a number of challenges persist. For instance, newcomer skills and experiences continue to be underutilized. Moreover, despite having more education overall, recent immigrants are more likely to be unemployed, and those who are employed are often unable to use their skills and experience to the full extent. When compared to other nations, labour market mobility for newcomers in Canada is not as strong as other dimensions of migrant integration. These weaknesses compromise the individual welfare of newcomers and their families, as well as Canada's overall competitiveness.

A number of issues are underlying these weaknesses. First, a significant preference for Canadian work experience leaves newcomers at a disadvantage, despite efforts to eliminate these requirements in job postings and in licensing for regulated professions and trades such as law, accounting, architecture, engineering, electrical and plumbing. According to Statistics Canada, years of previous Canadian work experience and past Canadian earnings are still two of the strongest predictors of a newcomer's earnings. As immigrants accumulate more years in Canada, their employment rate begins to increase and align more closely with that of Canadian-born peers. It is unclear whether the recent efforts to eliminate the requirements in Ontario will have the desired effect, as many of the preferences for Canadian experience remain in recruitment processes, some of which utilize artificial intelligence to screen applicants.

Second, difficulties connecting newcomers with employment opportunities at small and medium-sized enterprises (SMEs) remain a challenge. In 2021, SMEs were responsible for 88% of private sector employment and 86% of net job growth in Canada. These businesses are pivotal to newcomer integration given their role in the Canadian economy, yet over 60% of SMEs note that newcomers account for less than 10% of their current workforce. Research in Quebec shows that SMEs are willing to diversify their staff complement and believe a global workforce is one of the best ways to acquire the skills needed. However, SMEs often lack the resources to create more inclusive work environments to attract and retain newcomers and have limited resources to navigate immigration programs, especially given the amount of time and paperwork required.

Third, newcomer integration varies considerably by group. Newcomer women face greater barriers in the labour market than men. While the gap in the employment rate between newcomer men and Canadian-born men decreased during the 2010s, newcomer women did not see a similar improvement. In fact, employment rates for long-term immigrant women fell further behind the employment rate for Canadian-born women between 2007 and 2021. Newcomer women also earned increasingly less than Canadian-born women between 2000 and 2019.

Recent changes in immigration policy have started to address some issues in labour market integration. The Government of Canada's Express Entry system, for example, attracts highly skilled individuals with qualities associated with economic success, and these newcomers have shown improved outcomes. Eighty-three percent of survey respondents reported they were working in their primary occupation, and average earnings are 20% higher than those of non-Express Entry applicants. Immigration, Refugees and Citizenship Canada (IRCC) has also invested in a Racialized Newcomer Women pilot to tackle challenges specific to this group. IRCC-funded services across Canada reached fewer than 40% of surveyed newcomers prior to the pandemic (and even fewer during COVID-19).

Moving forward, it will be important to build on these initiatives and address newcomer integration challenges; otherwise, the country risks losing them. This is particularly salient given the large number of newcomers Canada is planning to welcome in the coming years. Improving newcomer integration is central to newcomers' individual well-being as well as to Canada's economic prosperity.

What We Investigated

Between 2019 and 2024, the Future Skills Centre (FSC) invested in a wide range of projects aimed to enhance labour market integration of newcomers.

Several projects tested approaches to better recognize and leverage the skills of newcomers and enable them to reach their potential in the labour market more quickly. This included projects that explored how to reassure employers of a newcomer's capabilities, including among SMEs, in the hopes of circumventing the perceived importance of Canadian experience. For example, the Immigration Employment Council of British Columbia implemented the Facilitating Access to Skilled Talent program —an online skills assessment and development platform designed to provide occupation-specific competency assessments and to equip incoming and landed immigrants with an orientation to workplace culture and technical skills recognized by employers. Other projects aimed to provide newcomers (and other underrepresented groups) with industry-recognized skills and training, including in cybersecurity and digital and professional skills.

Some projects sought to bridge the gap between labour market needs and newcomer talent by focusing on employers, who have a role in adapting their practices to be more inclusive of newcomers. To help with this issue, these projects provided guidance and resources for employers, both large and small, including support to enhance the professional advancement of newcomer talent by identifying opportunities for career progression and leadership pathways; and providing an equity, diversity, inclusion and Reconciliation (EDI&R) assessment tool to critically evaluate EDI&R practices and provide tailored guidance to employers.

Finally, a group of projects sought to enhance the social capital of recent immigrants and expand newcomer-employer networks. Access to social capital and opportunities to enlarge professional networks can be crucial in the newcomer integration process, with 70%–80% of all jobs being found through networking. Supportive networks are an especially vital source of learning and resilience, but newcomer women have fewer local social connections than their Canadian-born counterparts. Projects that sought to build social capital among newcomers included two projects from Newfoundland and Labrador. One organized networking events, workshops, mentoring and other activities between newcomers and industries with talent needs; the other led community-wide efforts to welcome and integrate newcomers into the social and economic life of rural towns in the province.

✔ What We're Learning

Industry engagement improves newcomer integration

Projects demonstrated significant success in accelerating and enhancing the employment prospects of newcomers through industry-specific, employer-driven initiatives. These projects provided applied, hands-on training focused on specific industries and positions. Their success was a result of involving employers directly to ensure the relevance of the training and curriculum. Their success enabled robust connections to potential employers to facilitate easy access to job interviews post-training. Moreover, close industry engagement facilitated the acquisition of industry certifications and standard assessments that focused on both technical and soft skills to ensure that candidates could integrate into teams, contextualize problems and navigate the workplace.

Take, for instance, the Rogers Cybersecure Catalyst program, which was named after its founding partner—the largest telecommunications firm in Canada. This program facilitated the hiring of graduates by 150 employers across Canada, including many SMEs. This program is noteworthy for its efforts to diversify the cybersecurity workforce, with 68% of its participants identifying as racialized persons, compared to only 10% in the sector overall. These initiatives do more than just equip newcomers with the right skills; they also build employer confidence in hiring these candidates, thereby helping newcomers avoid underemployment and find meaningful work more quickly. Furthermore, by first engaging large corporations within the industry to provide funding and credibility in a program's early stages, it has helped to harness the engagement of SMEs downstream.

Training on Canadian workplace culture should be a part of all employment and skills programs targeting newcomers

Across projects serving newcomers, program elements that sought to educate newcomers on Canadian workplace culture were reported as the most useful program component for supporting their job search. Successful projects included information about verbal, written and non-verbal communication; culture shock; sector-specific professional language; and expectations regarding self-advocacy.

Providing newcomers with explicit training on Canadian workplace culture is another strategy, alongside industry-recognized skills training, to facilitate and accelerate newcomer integration into the labour market. Other projects highlighted the need for employers to better understand the barriers faced by unclear Canadian workplace culture expectations. For example, the Toronto Region Immigrant Employment Council's Career Advancement for Immigrant Professionals project revealed that newcomer staff sometimes avoid speaking up due to cultural norms and negative experiences in their countries of origin. Likewise, many newcomer employees learned that self-advocacy is a necessary and expected trait. Uncovering these often-unspoken barriers and enabling greater understanding within organizations is pivotal to improving newcomer integration and building lasting change that results in a more inclusive and productive environment for all.

Collaborating and having a shared purpose increases social capital and strengthens professional networks

Project partners designed activities and events aimed to repeat interactions and create a shared purpose among attendees. The [Association for New Canadians' Newcomer Employment Resilience Network \(NERN NL\)](#) project, for example, engaged participants in various workshops and mentoring activities, providing stakeholders with a guided activity to foster deeper relationships than a conventional networking event would allow.

The Newfoundland and Labrador Workforce Innovation Centre (NLWIC) similarly engaged various stakeholders to welcome newcomers to the community and meaningfully integrate them and their families into the social life of the neighbourhood, expanding beyond the usual focus on employment. Some projects saw success in growing the number of employers and other stakeholders engaged in network-building initiatives by collaborating with local, like-minded organizations and pooling their networks together.

The KEYS Job Centre's Innovation for Better Integration project established a joint initiative between a dozen organizations serving newcomers in the Kingston, Ontario area, and the entities engaged their collective newcomer community to identify challenges and opportunities, producing connections and relationships that would have been difficult for any single organization to achieve on their own. This collaboration can also encourage participating employers or stakeholders to refer others to the initiative, building a snowball effect over time. By the end of the Association for New Canadians' NERN NL initiative, local stakeholders were proactively seeking to join their newcomer engagement network. Local employers also reported that their awareness of newcomer skills and potential significantly increased because of the network-building initiative implemented by the Association for New Canadians.

Changing employer behaviour improves newcomer integration and progression

To improve integration, change must also come from the demand side—employers need to adapt their practices to better include newcomers and support their progression. However, employers require a basic level of commitment and flexibility to effectively engage in this work, as it requires employers to adapt firm-specific behaviours and processes. The growing momentum for EDI&R in workplaces can encourage this engagement; however, to be sustainable over the long run, an employer needs a rationale for supporting newcomer candidates/staff that aligns with the organization's core strategy and operations. Projects that achieved this commitment included different types of targeted, consistent support for employers. Among the 53 employers supported by the City of Kingston's Workplace Inclusion Charter to improve their EDI&R practices, 77% successfully implemented recommended strategies and 85% reported having a positive experience. Similarly, Toronto Region Immigrant Employment Council's Career Advancement for Immigrant Professionals project engaged large employers to advance the careers of existing newcomer staff, and initial results showed that 33% of newcomer participants had already secured new jobs within their organizations. To encourage the necessary process and behavioural change among employers, targeted support should secure buy-in from senior leaders; provide concrete recommendations for change; measure and celebrate progress; and offer a variety of options for feedback and discussion, ensuring the voices of newcomers are prioritized..

Why It Matters

Immigration has emerged as the primary engine driving Canada's labour force growth, and over 2025 and 2026, Canada is set to welcome approximately 1 million newcomers. Against this backdrop, the labour market integration of newcomers is crucial for several reasons. Firstly, it helps to maximize the economic potential of immigrants, who bring diverse skills and experiences. This contributes to improved individual well-being by addressing underemployment and unemployment among newcomers, especially the most vulnerable among them.

Secondly, improved labour market integration of newcomers can help businesses by mitigating labour and skills shortages in key sectors, allowing businesses to grow and thus enhance overall productivity and economic growth. Finally, successful integration enhances social cohesion by promoting inclusivity and reducing disparities in employment opportunities.

And while Canada boasts a comprehensive and integrated system of programs designed to assist newcomers, greater efforts are needed to improve their labour market integration. The lessons garnered in these projects can serve as valuable insights for re-evaluating existing frameworks as well as exploring new strategies and innovative approaches to further refine and enhance these systems.

In particular, there is a growing awareness of the need to strengthen employer engagement, enhance the delivery of training related to Canadian workplace culture and strengthen social capital among newcomers. However, these practices are not yet fully embedded across the policy and program landscape covering the labour market integration of newcomers.

Canada's future prosperity is dependent on its ability to create a more inclusive economy that leverages the full range of skills and abilities across its diverse population. Newcomer integration is an integral part of this effort.

► **What's Next**

FSC continues to synthesize evidence and work with partners to mobilize learnings related to skills, training and newcomers. FSC has summaries forthcoming on projects serving newcomer women. FSC also works closely with a consortium of partners at the forefront of newcomer issues, including [the Diversity Institute](#).

Though newcomers' amount of Canadian experience remains a leading indicator of newcomer outcomes, FSC projects have integrated recent immigrants into meaningful careers at a faster pace. Industry-specific supports, such as those offered by programs such as FAST, ADaPT and Rogers Cybersecure Catalyst, are expanding and tracking long-term outcomes to better understand their impact.

FSC will continue to explore how to best support entrepreneurship among newcomers, assessing participant success and cost effectiveness in entrepreneurship initiatives by collaborating with experienced organizations such as DMZ (an incubator for tech startups) and de Sedulous Women Leaders for this effort.

With promising insights generated in building employer capacity for newcomer integration, FSC will also continue to work with the City of Kingston and Toronto Region Immigrant Employment Council to build on their existing projects and expand their work and learning.

Projects in this Report

[Facilitating Access to Skilled Talent \(FAST\), Immigrant Employment Council of British Columbia.](#)

[Advanced Digital and Professional Training \(ADaPT\), Diversity Institute & TECHNATION Canada.](#)

[Workplace Inclusion Charter Expansion, the Corporation of the City of Kingston.](#)

Transforming Skills and Talent Acquisition in Canadian Cybersecurity, Rogers Cybersecure Catalyst.

A Newcomer Employment Resilience Network (NERN NL) – Optimizing Connections; Making the Match, Association for New Canadians.

Testing and Evaluating the Impact of a New Workforce Development Model in Newfoundland and Labrador: Future-proofing Our Skills Development Ecosystem, College of the North Atlantic.

Career Advancement for Immigrant Professionals, Toronto Region Immigrant Employment Council (TRIEC).

Have questions about this report? Contact us communications@fsc-ccf.ca.

Funded by the
Government of Canada's
Future Skills Program

| **Canada**

This report was produced based on projects funded by the Future Skills Centre (FSC), with financial support from the Government of Canada. The opinions and interpretations in this publication are those of the author(s) and do not necessarily reflect those of the Government of Canada.

© Copyright 2024 – Future Skills Centre / Centre des Compétences futures