

Project Insights Report

Digital Transformation of Work: Racialized Immigrant Women and Skills Retraining



PARTNERS

University of Waterloo



LOCATIONS

Across Canada



INVESTMENT

\$27,359



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CONTRIBUTORS

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Executive Summary

The digital transformation coming to Canadian workplaces accelerated significantly after the country-wide COVID-19 lockdowns, which increased demand for remote work. The digital transformation has and will hit some workers harder than others. Women, especially racialized immigrant women, have been and likely will continue to be disproportionately impacted by these structural changes (Labour Force Survey, 2020; Ng & Gagnon, 2020).

While these challenges are widely known, the project team sought to shed light on how policymakers can promote policies to overcome them. This was done through analyzing successful projects where racialized immigrants have successfully retrained and upskilled to take advantage of the digital transformation.

The authors found that the biggest challenges for respondents during the coronavirus crisis were 1) the high cost to automate equipment and purchase other digital tools and 2) a lack of the following: employees with digital skills, digitally enabled supply chains, network collaborations, integrated payment systems on company websites, and digital marketing capabilities.

KEY INSIGHTS

1

Women are overrepresented in occupations that require soft skills like empathy, compassion and politeness. Although these skills are less likely to be affected by automation in the near future, they are consistently undervalued compared to technical skills, and women in jobs that require soft skills are unlikely to be high earners.

2

Social mores about the internet and information and communication technology and women's worth play an enormous role in the extent to which women willingly and readily pursue STEM-based education.

3

Visible minority newcomer women have the lowest pay and the poorest job prospects. Their median yearly pay is \$26,624, compared to non-visible minority newcomer women at \$30,074, visible minority newcomer men at \$35,574 and non-visible minority newcomer men at \$42,591 (based on 2019 data) (CBC, 2019).

► The Issue

The digital transformation of work opens opportunities for women to participate in traditionally male-dominated occupations while also normalizing flexible work arrangements (e.g., working virtually rather than on site) through the worldwide distribution of mobile digital devices such as computers and mobile phones. Flexi-work provides opportunities to balance work and private life, but it also dissolves the boundaries between work and private life. Furthermore, this can produce new forms of contractual employment that lack access to social benefits, job security and workplace protections, and reinforce “structural discrimination against women” (see Aneja & Mishra, 2017; Ryder, 2016).

The optimization process of this tension is fraught. Digitalization allows for greater juggling on women’s terms but, as many women have found during the many COVID lockdowns, it also elongates the time that women spend on work and home activities. What is more, the expectations on women themselves to adhere to pre-COVID levels of productivity at work while simultaneously balancing daily childcare, virtual schooling, housework and cooking are often intensified through these working arrangements (Dengler & Tisch, 2020).



What We Investigated

The project sought to better understand the training and upskilling approaches that have been shown to be effective in preparing workers for mobility across sectors and occupations in the face of digital disruptions and opportunities.

Specifically, the team set out to:

- a) identify how and where Canada's racialized immigrant women have been most impacted by the digital transformation of workplaces, particularly those transformations accelerated by COVID-19 lockdowns and ensuing economic downturns;
- b) synthesize knowledge from Canada and other advanced economies (United States, Europe and Australia) on successful re-skilling approaches that equip racialized immigrant women workers to take advantage of digital transformations in the economy and workplace.

What We're Learning

Entrepreneurship represents an attractive employment opportunity for women over wage-based jobs

However, the trap for women in entrepreneurship persists because of gender-based gaps in entrepreneurial training, less access to STEM-based skills training, fewer social networks for women founders, and significant financial barriers that prevent women from pursuing opportunities.

Programs that focus on practical skills, networking and personalized employment counselling help participants navigate the job market and build sustainable careers

Programs like the Visible Minority Newcomer Women at Work program in Nova Scotia and similar initiatives in Ontario aim to address these gaps by providing job readiness training, digital literacy and entrepreneurship support for immigrant and racialized women.

When participants begin the program, they are randomly placed into one of two groups. One group receives six weeks of in-class training on self-confidence, gender equality in the workplace, change management, development of a skills portfolio, job search strategies and practice interviews, and digital literacy training. The other group receives six weeks of personalized employment counselling that includes an action plan, counselling sessions, job search workshops and employment options analysis.

Some promising models for skills development include the sector-based and Career Pathways models, which have shown success in the US. The sector-based model involves employers designing training to address specific skills gaps, while the Career Pathways model combines employer-guided training with modular postsecondary education, reducing financial and time commitments. Both models emphasize employer involvement, career readiness and support services like childcare and mentorship.

Myers et al. (2021) recommend that for this Career Pathways model to be applied on a large scale in Canada:

- greater and more complex collaborations would need to be established between workforce development agencies and postsecondary institutions to ensure effective transition of basic skills to formal credentials;
- colleges would need to be empowered with the authority to offer short-cycle upskilling;
- postsecondary institutions would need to have increased funding to deliver Pathways programs and other short-term upskilling; and
- more outreach opportunities with employers would need to be created to better design training programs to meet real-world industry requirements.

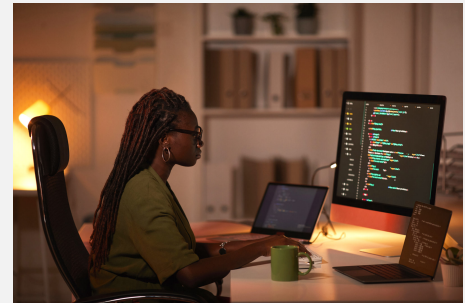
★ Why It Matters

According to Krieger-Boden and Sorgner (2018), digital transformation will include changes to mobile money exchange, data-powered fintech services, platforms that match investors with startups, and platforms that match employees with employers. These services could help women gain entry into new markets, expand work flexibility, acquire customers, communicate with customers, access new forms of training, offer mentoring, enhance their financial autonomy and access capital for their ventures.

In Canada, adult skills training faces significant challenges, including a lack of understanding and evaluation of the impact of the federal government's devolution of labour market programs to the provinces in the 1990s–2000s. The funding environment for adult learning is complex, and there is insufficient coordination between provinces on program implementation.

The project team was able to demonstrate the importance of combining postsecondary instruction with training for in-demand jobs through its examination of the government's devolution on guiding third-party service providers to ensure that training exactly covers the areas of skills gaps for specific roles.

Compared to the average for member countries of the Organisation for Economic Co-operation and Development, Canada under-delivers on adult job-related training and struggles with outreach to marginalized groups, such as those in rural and remote areas, individuals with low literacy and those lacking postsecondary education. Additionally, there is limited support for lifelong learning, which is crucial for adults seeking to improve their employability over time.



State of Skills: Digital Tools in the Skills Ecosystem

There is considerable promise in the role digital tools and virtual career services can play in improving access to training and career development, particularly for those with geographic barriers or constraints such as family care or other work responsibilities.

[Read Thematic Report](#)

Current programs tend to prioritize quick entry into the labour market over sustainable career development and adaptability to evolving market demands, such as digital skills. While Canada scores well on digital skills usage, it lags in leveraging innovation, integrating new technologies and developing a robust skills infrastructure, including frameworks for digital skills.

However, broader adoption of effective models and improved coordination across provinces are needed to address systemic issues in Canada's adult skills training landscape.

Furthermore, Canada struggles to effectively integrate immigrant talent into its industries, highlighting a gap in utilizing existing diverse skill sets.

High proficiencies in cognitive skills—i.e., in problem solving and analytical and quantitative skills—are typically acquired at university. These should grant women better chances to earn university degrees to better qualify them for high-profile jobs in management or STEM occupations, or for entrepreneurship (Deming, 2015, 2017).

These researchers add that women have a comparative advantage in the digital age because of their social skills and that this advantage is enhanced when complemented with higher education and advanced digital literacy.

Looking at socioeconomic disparities among women in India, Dhanamalar, Preethi and Yuvashree (2020) note that compared to rural women who still struggle with dependencies and with being misled and defrauded, urban women have used their education and digital literacy to pursue entrepreneurial opportunities using information and communication technologies; get more involved in decision-making; overcome social, political and economic obstacles collectively and individually; and participate in the digitalization process.

Have questions about our work? Do you need access to a report in English or French? Please contact communications@fsc-ccf.ca.

How to Cite This Report

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