




**Future
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 State of Skills Report

Leveraging the Skills of Newcomers



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KEY INSIGHTS

- 1** The quality and intensity of employer engagement is critical to the overall success of interventions to support newcomers. Employer engagement needs to go beyond 'ticking a box' and should be systematized at every phase of a project.
- 2** Navigating career and training decisions is especially complex for newcomers given the challenges they face learning new systems and unfamiliar workplace cultures. Career development support for newcomers should come early and often.
- 3** The path from newcomer selection to arrival in Canada, and workplace integration and career development, is far from straightforward and one that entails numerous touch points with different immigrant partners, associations and government entities. Each juncture is critical to the success of newcomers. Strong and integrated collaboration among partners and systems players are needed.

The Issue

Immigration is an integral part of addressing workforce pressures. Already, 23 per cent of Canada's population is a landed immigrant or permanent resident and more than 80 per cent of Canada's labour force growth comes from immigration. As Canada's population ages, the critical role of immigration will only intensify. By 2025, Canada aims to welcome 500,000 newcomers, a record target that reflects our dependency on immigration to ensure labour market and economic growth. Yet when they settle, many newcomers still find themselves in jobs poorly matched to their experience and qualifications. The skills and experiences of newcomers to Canada are persistently underutilized, compromising their individual welfare as well as Canada's competitiveness. For some, it can often take years to find jobs that are a good match, while others never find that. If they eventually do find a job, discrimination or intercultural obstacles can dampen their career advancement prospects, further exacerbating the skills mismatch.

Aside from formal skills recognition, a vital element in the newcomer experience is engagement with the set of cultural norms, cues and understandings under the heading of intercultural literacy. Among the consequences of intercultural misunderstanding are newcomers "feeling isolated and having limited opportunities to engage in informal communications with local colleagues," according to a 2019 study by Carleton University's Centre for Research on Inclusion at Work. Unfamiliarity with Canadian workplace culture can slow down their ability to integrate in the organization, identify opportunities and build relationships.

Access to social capital and opportunities for industry networking and professional development are essential ingredients in the immigrant integration process and can be a decisive factor in determining whether one eventually finds work in a chosen field. Between 70 per cent and 80 per cent of all jobs are found through networking. But that can be hard to come by for newcomers who may not know where to turn or how to start building a professional network. The difficulty points to a need for streamlining a process of social and economic integration that may otherwise take many years.

The costs of not harnessing fully the skills of newcomers extends well beyond the cost to individuals. Canadian employers and businesses are constantly faced with difficulties in meeting their skills needs, and that can compromise our ability to achieve economic, environmental and societal goals.

What We Investigated

A wide range of FSC projects are testing new ways to better leverage the skills of newcomers. This *Thematic Insight* takes an in depth look at a series of 3 projects that each take a unique approach to how to better harness the skills of newcomers, including testing:

- Whether a streamlined approach – centered on pre-arrival online assessment tools – can make the skills and prior learning assessment process more accessible and efficient for skilled newcomers and potential employers.
- A series of workplace practices at the firm level to improve intercultural literacy and career pathways of newcomers within an existing enterprise.
- If a community and social networking approach can enhance employment prospects and professional development opportunities for newcomer professionals.

What We're Learning

Many newcomers are confronted with the challenges of recognizing and fully leveraging their skill sets. This is a complex process, and these pilot projects have generated insights into how to build better career pathways and encourage skills recognition among newcomers.

Quality and intensity of employer engagement is fundamental for newcomer inclusion

Too often, engagement with employers is limited to consultation at the inception phase of a project. FSC-funded projects integrated employer needs into program design and delivery through built-in feedback loops between industry partners and project organizations to ensure newcomer accreditation and retraining schemes respond to and anticipate employer needs. This has helped to ensure the skills of newcomers are better aligned with industry needs. For instance, in IEC-BC's FAST program, employers help shape the content of the online tool and ensure it assesses the technical skills and cultural knowledge needed to succeed in each industry and occupation for which FAST has been developed.

Persistent and effective engagement with employers is also key to overcoming intercultural obstacles that may arise when managers and peers fail to address the needs of newcomers. The situation is made worse when newcomers, because they lack Canadian work experience, lack awareness about workplace culture. NERN NL, brings together a diverse range of professional organizations, employers, training providers, and newcomers and facilitates collaboration and knowledge exchange. Such efforts help address social isolation and have positive impacts on the hiring, retention and career development of newcomers.

Support for career development should come early and often

Looking across the projects, it's clear that early intervention is critical in putting newcomers on the path to securing employment that matches their skill level within a reasonable time span.

Beyond this initial intervention, ongoing efforts are needed to ensure underemployment doesn't become entrenched. Workplace dynamics and intercultural bottlenecks between employers and newcomers that impede open communication can lead to vicious cycles that reinforce barriers keeping newcomers from reaching their full potential. This exacerbates the challenges employers face attracting, reskilling and retaining newcomer talent in the face of skilled labour shortages. For instance, TRIEC's CAIP program, with its firm-level, HR-based approach, fosters more inclusive workplace cultures and greater career advancement for newcomer employees within organizations.

Collaboration is key in a complex immigrant ecosystem

For newcomers, getting international skills, qualifications and credentials recognized can be time consuming, often involving multiple rounds of assessments during settlement and integration. Newcomers are faced with the difficult task of navigating new systems and workplace cultures. Career pathways for newcomers to Canada entail a number of steps, all of which form a complex, sometimes fragmented, immigrant-serving ecosystem. Preliminary findings from these projects highlight that harnessing the skills of newcomers should be thought of as a systems-level concern, rather than an ad hoc approach at each phase of the newcomer journey. Effective interventions are a function of the strength and integration of partnerships between many actors and organizations who share the goal of advancing newcomers but may not have equal means and capabilities to do so.

Why It Matters

Immigration now accounts for nearly all of Canada's labour force growth and is expected to account for nearly all population growth by 2032, while the national worker-to-retiree ratio is moving from 7:1 to 2:1 by 2035. The stakes of getting skilled newcomer integration right are high. The costs of not being able to harness the skills of newcomers extends beyond those borne by individuals, as businesses constantly find it difficult to meet skill needs and fill vacancies, which has implications for Canada's economic growth, social cohesion and quality of life.

Part of the issue lies in how best to recognize and leverage the skills of newcomer professionals at a formal level. Other informal social and cultural factors such as intercultural fluency and access to social capital can also negatively affect career trajectories. These more subtle aspects of the integration process should be incorporated just as well into policy considerations. Insights gathered in this document can help ensure future policy interventions address both informal and informal dimensions of a skilled professional's integration journey.

Early evidence from these projects also highlights the need to broaden the scope of data collection and evaluation methods to better understand what works. For this to happen, more resources and capacity building are needed to ensure organizations, especially smaller not-for-profits, are well-positioned to undertake, in collaboration with partners, monitoring and evaluation.

► **What's Next**

As Canada grapples with labour shortages, employers' ability to tap into the human capital of newcomer professionals will remain an issue of paramount importance. Taken together, the projects featured here point to lessons and insights that can aid and inform future interventions. They also leave the door open to more in-depth discussions on how these efforts may be improved and become more responsive to the complexities of operating in a fragmented and interdependent immigrant-serving ecosystem.

In the coming months, key FSC projects will offer more insights, including:

- How can we achieve greater integration and co-ordination across the range of supports for newcomers, from health to employment and career development?
- What skills are most relevant for achieving better and more sustained outcomes for businesses and newcomers?
- How to improve the experience of onboarding immigrants in small and medium enterprises (SMEs) outside large gateway cities?
- To what extent can language and other supports specific to the participant's discipline improve labour market outcomes?

These forthcoming projects and the questions they answer will contribute to our collective knowledge about how best to harness the skills and experiences of newcomers. This will ensure our immigration system responds to the needs of the Canadian economy, leads to better matching between the demand and supply of immigrant talent, and reduces levels of underemployment and social exclusion among newcomers.

Projects in this Report

Immigration Employment Council of British Columbia: *Facilitating Access to Skilled Talent* (FAST)

Toronto Region Immigrant Employment Council: *Career Advancement for Immigrant Professionals 2.0* (CAIP)

AXIS Career Services: *Newcomer Employment Resilience Network NL* (NERNNL)

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

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