



# Consultation with Employers and Economic Development Actors

**May 20<sup>th</sup>, 2010  
7:30 a.m- 12:00 p.m.**

**Best Western Victoria Park Suites Hotel  
377 O'Connor Street.  
Ottawa, ON**

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Citizenship and  
Immigration Canada

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Immigration Canada

Canada

## **INTRODUCTION**

The Ottawa Local Immigration Partnership (OLIP) is a new multi-stakeholder partnership that is funded by Citizenship and Immigration Canada. The objectives of OLIP are to:

1. Establish a partnership council that brings together relevant sectors of our community in a strategic planning process.
2. Develop a common understanding of the current reality of immigrants' settlement and integration, including economic integration. This involves understanding the challenges and successes experienced by immigrants, by organizations and institutions that serve them, and by employers and economic development actors.
3. Coordinate and establish linkages with other relevant community planning initiatives.
4. Facilitate a collaborative development of a local Immigrant Settlement and Inclusion Strategy that sets directions for Ottawa to achieve:
  - Improvements in immigrants' access to an enhanced and coordinated system of settlement and social services
  - Improvements in immigrants' economic integration, including access to the labour market
  - Improvements in community capacity to serve immigrants, and in our awareness about immigrants' integration
  - Sustainable local mechanisms for planning, and coordination
5. Create a local action plan for the medium-term implementation of the Ottawa Immigrant Settlement and Integration Strategy.
6. Implement the local action plan.

A crucial component of the development of the Ottawa Immigrant Settlement and Inclusion Strategy is a series of consultations with key stakeholders, including immigrants, immigrant associations, settlement service providers, health, social, and education service providers, employers and economic development agents. The purpose of these consultations is to understand the perspectives of local stakeholders on the challenges they experience in supporting the settlement and integration of immigrants in Ottawa, the solutions they have put in place, and the directions they envision we take towards improving the outcomes immigrants' integration process.

This paper has been designed as a resource (a sort of a workbook) to support your preparation and participation in the OLIP Consultation with Ottawa employers and economic development actors that will take place on May 20<sup>th</sup>, from 7:30 a.m. to 12:00 p.m. at the Best Western Victoria Park Suites Hotel, 377 O'Connor St.

The time that you take in preparation will have a significant impact on our ability to make effective use of our time together. Please review this material and the meeting objectives, and make note of your thoughts in response to the questions provided. Please bring your workbook, including your notes to the meeting.

## **SCOPE AND PURPOSE OF CONSULTATION**

### **Purpose**

The purpose of this consultation is to build awareness, test ideas, identify challenges and share potential solutions and best practices. The results of our discussion will contribute to the development of a new Ottawa Immigration Strategy.

Three key assumptions underpin this consultation

1. Immigration is good for business and for economic growth
2. Immigrants, in particular recent immigrants, experience high levels of unemployment and underemployment. The reasons behind these difficulties are complex and varied. It is clear, however, that our relative lack of success in immigrants' employment integration impacts negatively on both Ottawa's economic prospects and immigrants' integration outcomes.
3. Coordinated actions involving key stakeholders are needed to address the challenges.

These stakeholders include:

- Immigrants
- Governments
- Employers
- Service Providers

### **Partners**

The OLIP Consultation with Employers and Economic Development Actors is a partnership between

- OLIP
- City of Ottawa
- LASI World Skills
- Ottawa Chinese Community Services Centre
- Ontario Welcoming Communities Initiative

### **Benefits to Participants**

This consultation will give participants:

- An opportunity to enhance Ottawa's ability to benefit from immigration by improving the city's ability to attract and integrate newcomers.
- Information about initiatives that exist to support employers
- Links with organizations that help employers source qualified immigrants

- An opportunity to link with other employers and stakeholders interested in Ottawa's economic prospects.

## AGENDA

TO BE ADDED

## CONTEXT<sup>1</sup>

### **A Profile of Immigrants- Canada and Ottawa**

Canada accepts on average 250,000 immigrants each year. In 2008, Canada admitted 247 243 individuals as permanent residents. This included 149 072 in the economic class category (including dependants), 65 567 in the family class category, 21 860 as protected persons, and 10 742 others (ie. humanitarian and compassionate cases).

Immigrants to Canada are on average highly educated. According to Alboim and McIssac (2007), “[t]he proportion of university graduates among all categories of immigrants-including refugees, family class and economic immigrants- is substantially higher than among the Canadian-born

**79% of immigrant women and 86% of immigrant men have a degree prior to their arrival. In fact, Ottawa receives the most highly educated immigrants of any Canadian city.**

population in the same age group”. For example, among permanent residents admitted to Canada in 2005, 45.9% had a university degree, while within the economic immigrant (skilled worker) class 79.5% had at least one degree.

The face of Canada and Canadian cities is changing. In its report entitled "Immigration in Canada: A Portrait of the Foreign-born Population, 2006 Census", Statistics Canada indicated that the major regions of the world from which immigrants arrived between 2001 and 2006 were Asia, including the Middle-East, (58.3%); Europe (16.1%); Central and South America and the Caribbean (10.8%) and Africa (10.6%). This differs from in 1971, when only 12.1% of recently arrived immigrants were from Asia, whereas 61.6% were from Europe. This represents a shift over the last three decades from the majority of immigrants being of European origin, to the majority being from Asia and the Middle East.

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<sup>1</sup> This information has been taken from a review of literature that OLIP is conducting. The review, in its entirety, will be available following the launch of our website. For information on sources please contact Jill Murphy, OLIP Outreach and Research Coordinator, at [jill@cic.ca](mailto:jill@cic.ca)

Ottawa has the fifth largest number of foreign-born residents and new immigrants in Canada, behind Toronto, Montréal, Vancouver and Calgary. According to the 2006 Ottawa census, out of a total population of 801 275, 178 540 (22%) of individuals are immigrants. The following table shows number of immigrants living in Ottawa by region of origin:

<b>Region of Origin</b>	<b>Number of Immigrants Living in Ottawa (2006)</b>
Asia and the Middle East	73 115
Europe	58 745
Africa	18 695
Caribbean and Bermuda	10 680
Central and South America	8540
United States of America	7865
Oceania	890

Immigration in Ottawa grew significantly in the last three decades. Between 1986 and 2001, the immigrant population in Ottawa grew at a rate of 65%. This is compared to 46% for Ontario and 39% for Canada. According to the City of Ottawa, by 2017 immigrants will account for 27% of the city's population, compared to 21% in 2001.

The importance of immigration and immigrants for Ottawa's labour force is evident. For example, in 2004 immigration contributed to 70% of Ottawa's labour force growth, while the Canadian born labour force contributed to just 30%. By 2011, immigrants will account for 100% of the city's net labour force growth. 69% of immigrants in Ottawa are "working age", between 25-64 years, compared to 53% of the Canadian-born population and 70% of immigrants that settle in Ottawa intend to look for work, while the remainder are spouses, children, students or retired. Immigrants in Ottawa also are more educated than their Canadian born counterparts; 79% of women and 86% of men possess a degree prior to their arrival. In fact, Ottawa receives the most highly educated immigrants of any Canadian city.

A significant number of immigrants who arrived in Ottawa between 2001-2006 had some level of competency in English and/or French, with 93.2% possessing knowledge of one or more official language. 17.7% of these recent immigrants were bilingual in both English and French, while only 7% of recent immigrants did not possess any English or French. In 2007 the City of Ottawa stated that nine out of ten immigrants "arrive with

official language abilities”. Immigrants also bring with them a multitude of global languages. 69 mother tongue languages other than French and English are spoken in Ottawa. The Social Planning Council of Ottawa states: “...language diversity of immigrants, instead of being a challenge, strengthens the Canadian position in the global market economy and the country’s international development and peacekeeping roles.

Of the 143, 215 francophones living in Ottawa, 16.3% (23, 345) are immigrants. Francophone immigrants by region of origin predominantly originate from Africa (27.2%), Asia and the Middle East (25.3%), Europe (25.3%) and the Americas (22.1%) (Bisson, 2009, 42). Francophone immigrants are most highly represented in the 0-14 (9%) and 15-25 (17.7%) age groups.

### **Immigrant Labour Market Participation**

Despite their high levels of education, immigrants, especially recent immigrants, often face significant challenges in accessing the labour market. Despite the fact that the educational profile of immigrants has increased since the 1990’s, immigrants have experienced worse labour market outcomes than those arriving prior to that decade. In the early 1980’s immigrants, including recent immigrants, experienced greater labour market participation than their Canadian-born counterparts. By 1991 this had reversed and the participation rate fell below the national average. This has persisted since the early 1990’s. In 2007, for example, the national unemployment rate for recent immigrants was 11%, compared to 4.6% for the general population. For recent immigrants with a university degree, the unemployment rate was 10.7%.

Additionally, prior to the 1990’s immigrants generally caught up to their Canadian-born counterparts in terms of

**The Conference Board of Canada stated in 2006 that the underutilization of newcomers accounts for a loss of between \$2-\$3 billion to the Canadian economy annually.**

earnings within 10 years. This trend did not continue after the 1990’s. Many immigrants have had to find jobs in low skilled areas, with more educated immigrants taking low-skilled jobs than their Canadian

counterparts. The recession of the early 1990’s seems to have had a large impact on immigrants, and they did not rebound in a similar way as the Canadian-born population.

Similar challenges can be identified when specifically exploring the Ottawa context. The City of Ottawa states that the average salary of immigrants who arrived in the period of 1996-1999 was only 68% of the average Canadian-born household. In 2005, immigrants



with employment income earned \$.83 for every dollar earned by the general population. The disparity in income was significantly larger for recent immigrants, who in 2005 had a median income of \$14, 921 compared to \$28, 779 for immigrants in general and \$34, 343 for the general population. Visible minority immigrants earned less than the overall immigrant population, at \$24,008.

Immigrants, through their workforce participation, contribute a great deal to the local economy. For example in 2000 the immigrant population generated \$4.1 billion in wages, salaries and self-employment income. This income then feeds back into the community through purchases and taxes. Labour market exclusion of immigrants, therefore, not only has an impact on the economic stability of immigrants but also on the economy. The Conference Board of Canada stated in 2006 that the underutilization of newcomers accounts for a loss of between \$2-\$3 billion to the Canadian economy annually.

As indicated above, Ottawa receives the most educated immigrants of any city in Canada. Similarly to in the rest of Canada, education does not necessarily translate into labour market access in the area of one's training. In 1996, for example, recent immigrants with a university degree were four times more likely than their Canadian counterparts to be unemployed. Many immigrants must take on "survival jobs" when they cannot access employment in their areas of training or experience. More than 1/4 of university trained recent immigrants works in a job that only requires high school or has no educational requirement. In fact, university educated recent immigrants in Ottawa are twice as likely as the Canadian-born population to have jobs that do not require a university education.

In 2006, the unemployment rate of recent immigrants was three times that of the general population (14% vs. 6%). Recent immigrants are also over-represented in part-time and seasonal work: general population (39.1%); immigrants overall (41.2%); recent immigrants (59.4%). Female recent immigrants were particularly employed in part-time and seasonal work, at 64.2% in 2006. Notably, the percentage of self-employed immigrants is slightly higher than the general population (13.4% vs. 10.3%).

## **Barriers**

There are a number of barriers that impede immigrant labour market participation in the areas in which individuals have been trained and/or have experience. These include: "employer and regulatory requirements for Canadian work experience; credential recognition; licensing for regulated professionals; lack of labour market language training; lack of customized upgrading and support opportunities; lack of information overseas and in Canada". The local context also interacts with these barriers- for example

in Ottawa highly educated immigrants are competing with an increasingly educated Canadian-born population.

The lack of Canadian experience is most commonly cited by immigrants as a barrier to finding appropriate employment. The requirement for immigrants to obtain Canadian work experience before finding work in their field can lead to a vicious cycle: “For professionals, prolonged under or unemployment can lead to deskilling, seriously affecting their prospects of re-entering the profession. It can also result in chronic occupational dislocation, lower income and downward social mobility”. The Canadian experience requirement is, of course, sometimes appropriate, such as in cases when knowledge of Canadian policy or law is required. However, “...it is often used as a means to mitigate risk when a candidate’s experience is unknown or unfamiliar, and it is sometimes exploited in a discriminatory fashion to exclude candidates”.

The second most commonly cited barrier is the recognition of foreign credentials. A challenge with foreign credential recognition is that there is no standardized approach in Canada, meaning that there is no “portability” between institutions and provinces. There is also no standard mechanism through which individuals can prove their experience or skills. The Conference Board of Canada estimates that non-recognition of credentials costs the Canadian economy \$3.42-\$4.97 billion dollars a year.

**Barriers to immigrant employment include:**

- **Requirements for Canadian experience**
- **Non-recognition of foreign credentials**
- **Language**
- **Lack of access to social capital**
- **Discrimination and racism**

Another significant factor influencing the decrease in labour market success of immigrants in Canada since the 1990’s may be the shift in region of origin. Alboim and McIsaac state that while the issue is complex, “...there is ample research that documents the correlation between race and poverty in Canada and, increasingly, that points to racial discrimination within the labour market”. These factors, of course, intersect with others such as lack of Canadian experience, foreign credential recognition, and language.

Many of the barriers affecting immigrants in Ottawa are the same as those listed above. The Social Planning Council identified five factors impacting the economic exclusion of immigrants in Ottawa. They include both general labour market barriers such as lack of Canadian experience and foreign credential recognition and labour market barriers specific to ethnic minorities, such as access to social capital, cultural context in the workplace and hiring practices, racism and discrimination. Importantly, they also identify barriers related to the nature of Ottawa’s economy and labour market. These include the

existence of the Federal Government as a major employer, the frequent requirement for English and French bilingualism, an increase in precarious jobs and a decrease in certain sectors with a high number of immigrant employees (such as the high tech sector).

### **The Labour Market**

The need for immigration to maintain Canada and Ottawa's labour force is often cited, most notably through the statement that by the year 2011, 100% of Canada and Ottawa's labour force growth will be due to immigration. The City of Ottawa states that population trends will increasingly mean that cities, and especially employers, will rely on immigrants for their success. They also state that although 51% of private sector managers view the shortage of skilled workers as a problem, only 15% considered hiring new immigrants as a solution.

In its White Paper series informing Ottawa's Economic Strategy Update (2010), the City of Ottawa indicates a challenge for attracting and retaining sufficient talent to meet Ottawa's needs, particularly as a knowledge economy. It states that despite the diversity of Ottawa's labour market, the resident workforce is underutilized. In particular, certain populations, including recent immigrants and visible minorities, are underused. It also states that the existing resident population is insufficient to meet upcoming labour market needs: "...more immigrants will be required and those in the labour force now will need to be encouraged to stay". While Ottawa and Gatineau attracted approximately 35,000 immigrants between 2001-2006, according to its proportion of Canada's population it should have attracted 40,000 in order to meet its needs.

Attraction and retention is a significant challenge for Ottawa. In fact, despite having the fourth largest immigrant population in Canada, it ranked sixth in terms of attracting new immigrants in 2006-2007. International net migration to Ottawa was at its lowest since 1988-1989 for 2006-2007. The City of Ottawa Annual Development Report states: "...this constitutes the fourth consecutive annual decline for international migration, suggesting there may be a need to better promote the city at a global level". The Social Planning Council (2009) also indicates that secondary migration, where immigrants relocate to other areas of Canada, is a challenge for Ottawa.

A decline in the high tech sector and increase in federal employment has implications for immigrants. The requirements related to finding employment in the federal public service, including Canadian citizenship and bilingualism requirements, often pose barriers to new immigrants. The City of Ottawa suggests that: "As immigrants will comprise an increasing proportion of Ottawa's population and workforce growth, this impediment needs to be addressed." Overall, the City of Ottawa points to the increase of

importance of small and medium sized enterprises for the knowledge economy, and the need to increase the flexibility of the workforce and to encourage entrepreneurship.

### **Policy, Good Practice and Needs**

The need for immigration to address labour market requirements across Canada and in Ottawa specifically has implications for policy and practice. Finding solutions requires the participation of a number of key stakeholders, including federal departments (such as Citizenship and Immigration Canada and Human Resources and Skills Development Canada), provincial counterparts (such as Ministry of Citizenship and Immigration and Ministry of Training, Colleges and Universities), municipalities, regulatory bodies and post-secondary institutions, community based service organizations and, of course, employers and economic development actors.

Of best practices related to supporting immigrants to better integrate in the workforce and in the economy, Alboim and McIsaac state that: “Of the wide array of employment support programs, the most successful are work experience programs that directly involve employers”. In Ottawa, programs such as LASI World Skills and Hire Immigrants Ottawa have taken this approach successfully. Mentorship programs are also important for helping new immigrants to build the social capital necessary to improve their integration into the economy.

The City of Ottawa further suggests the greater involvement of senior government, to examine issues such as language, citizenship and security clearance requirements and credential recognition. They also point to the need for greater and more widely available information about “the imminent talent needs of the public, private and non-profit sectors”. Further, they recommend that entrepreneurship should be encouraged among new labour market entrants not as a last resort but as a first choice.

