CIVIC PARTICIPATION, SOCIAL CAPITAL AND THE LABOUR MARKET INTEGRATION OF NEWCOMERS

ABSTRACT

Immigration is an increasingly important source of labour and skills for the Canadian economy. However, many immigrants are experiencing difficulties with labour market integration, particularly in finding employment that is commensurate with their education, training, and work experience. In this article, Clarence Lochhead argues that policy approaches which seek to encourage civic participation, foster social engagement, and build social capital, have the potential to improve both the processes and outcomes of labour market integration.

Over the past several years, the Canadian Labour and Business Centre has focused considerable attention on the role of immigration in meeting Canada's current and future labour and skills requirements. This topic has risen to prominence in policy circles within all three levels of government, right across the country. Its apparent urgency is rooted in three central observations. First, population demographics characterized by below-replacement level fertility rates – found in all provinces and territories with the exception of Nunavut – have led to slowing population growth, an aging population, and a growing wave of retirements. Second, most observers – including CLBC's labour and business constituencies – recognize that a flexible, innovative and skilled workforce is essential to sustain living standards in the context of unprecedented international competition. Third, immigration has rapidly become the major factor in Canada's net labour force growth. Over the past decade, immigrants have accounted for 70% of Canada's labour force growth, and by 2011, this is expected to reach 100%. Already, key sectors of the economy such as manufacturing depend entirely on immigration for labour force growth (Canadian Labour and Business Centre, 2004).

Canada's immigration selection system results in an enormous inflow of human capital. According to the Census of Canada, 56% of immigrants aged 15 and over landing in Canada between 1996 and 2001 possessed some form of post-secondary credential. To put this in perspective, consider that in 2002, the number of new immigrants arriving in Canada with a bachelor's degree, 60,754, was roughly equivalent to the total number of undergraduate degrees granted by all of Ontario's 29 universities (Canadian Labour and Business Centre, 2004). Yet despite these impressive statistics, immigrants to Canada are experiencing difficulties with both the processes and outcomes of labour market integration.

Problems with Labour Market Integration of Newcomers

It would be convenient – albeit incorrect – to think that Canada's long history and past practices with respect to immigration are sufficient to ensure a 'smooth' transition of newcomers into the Canadian labour market. Several recent reports have documented the increased difficulty newcomers have securing employment, particularly in jobs that are commensurate with their education, training, skills and work experience gained abroad (CLBC, 2004; Galarneau and Morissette, 2004; Lochhead, 2003a; Statistics Canada, 2003a).

So what has changed? While many factors are at play, two separate trends have significantly affected the labour market integration of newcomers. The first of these has nothing to do with the immigrant population at all. It is the 'credentialization' that has emerged as a near-pre-requisite for employment in Canada. Such credentialization is most apparent among Canada's regulated professions and trades, but it also exists in the unregulated professions and occupations. In the case of technicians and technologists for example, certification may be voluntary, but is often necessary to take advantage of employment opportunities. Regardless of the requirements for professional certification or licensing, most jobs today call for post-secondary credentials from a recognized institution. Over the last decade, for example, managerial and professional occupations requiring university, college or apprenticeship training accounted for 74% of labour force growth (Statistics Canada, 2003b).

The second trend affecting labour market integration is the changing source countries of immigrants. Today's immigrants are most likely to be from Asian and Middle Eastern countries, unlike the earlier part of the twentieth century when European countries were the primary source countries (Statistics Canada, 2003c). In relation to changing immigration patterns, 73% of immigrants who came

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in the 1990s were members of visible minority groups, compared to 52% of immigrants arriving in the 1970s. The diversity of immigrants to Canada is not only reflected in language, culture and tradition, but in education, skills and work experience gained abroad. In the context of an increasingly global economy, this diversity provides Canada with a unique – although largely untapped – resource. But such diversity also poses challenges in areas such as English/French language training and in the assessment and recognition of foreign credentials and work experience.

The intersection of these two developments – the requirements for certification and credentials demanded by Canada's employers and the diversity of countries in which newcomers obtained their education and work experience – have contributed to a less than effective labour market transition. None of this is news to Canada's employers or to newcomers themselves. A recent survey by Statistics Canada found that after six months in Canada, 70% of newcomers said they had encountered problems in the job finding process (Statistics Canada, 2003a). Coincidentally, CLBC's 2002 survey of business and labour leaders found that among private and public sector managers who were expecting to hire new employees, 72% expected problems if they were to hire foreign-trained workers (Lochhead, 2003b). Both groups agree on the most common problems: transferability of foreign credentials, lack of official language skills and lack of Canadian work experience.

There is an additional dimension to the labour market integration problem that stems from uneven immigrant settlement patterns. Eighty per cent of immigrants arriving between 1991 and 2001 reside in Canada's five largest urban centres, with the Toronto metropolitan area alone accounting for 43% of all recent immigrants. In provinces and cities that do not receive large numbers of newcomers, the question preoccupying policy makers is perhaps more fundamental – how to attract and retain newcomers? Recognizing the importance of immigration to the economy and labour market, Premier Hamm of Nova Scotia for example, recently established a cabinet Office of Immigration with a mandate to attract and retain skilled immigrants for Nova Scotia (Government of Nova Scotia, 2005).

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The Role of Civic Participation and Social Capital in Labour Market Integration

At first mention, civic participation may seem like an unrelated or secondary topic for those focused on labour market integration. However, involvement in community life – including political participation as well as social engagement through school councils, neighbourhood associations, voluntary organizations, and so on – has been shown to result in a variety of positive individual and social benefits (Schugurensky, 2003). In a similar way, the burgeoning literature on social capital is demonstrating that "those communities endowed with a rich stock of social networks and civic associations will be in a stronger position to confront poverty and vulnerability, resolve disputes, and/or take advantage of new opportunities" (Woolcock, 2001). Finally, numerous studies have demonstrated the link between social networks, employment and socio-economic status (King and Waldegrave, 2003; Lin, 1999; Granovetter, 1995).

The relevance of civic participation and social networks with respect to labour market integration of newcomers can be demonstrated in at least two ways. First, family, friendship and community networks appear to be decisively important in the decision newcomers make about settlement location. A recent study by Statistics Canada found that the most important reason immigrants give for choosing a particular location in which to settle is because family or friends were living there (Statistics Canada, 2003a). The same study finds that newcomers most commonly (and overwhelmingly) rely upon friends and relatives when seeking assistance with housing, health care services, and education and training. For those provinces and cities wishing to bolster their labour markets by attracting more immigrants, the implications are clear: social networks involving and engaging newcomers are a must.

Social networks are also relevant to the issue of labour market integration insofar as they affect employment prospects and outcomes. Using the Survey of Labour and Income Dynamics (SLID) Grenon (2004) has examined the role and significance of personal contacts and networks in obtaining a job; his findings show that about one-quarter of all new hirings result from networking with family or friends. Not surprising, immigrants to Canada were even more likely to rely on family and friends when finding jobs. Similarly, initial results from Statistics Canada's Longitudinal Survey of Immigrants to Canada (LSIC) found that among newcomers who encountered problems finding employment, the most frequently cited source of help was friends (36%) and relatives (26%), followed by educational institutions (18%) immigrant serving agencies (11%) and government agencies (11%) (Statistics Canada, 2003a).

The reliance of newcomers on networks of family and friends may be indicative of *bonding* social capital – that is, the relations *among* family members and ethnic groups. On the other hand, social networks that cross ethnic and social groups – so called *bridging* social capital, may be relatively underdeveloped. Evidence from the 2003 General

Social Survey on Social Engagement show that recent immigrants are less likely than the Canadian-born population to have a "very strong" sense of belonging to Canada, to their province of residence, and to their local communities. They are also less likely to be involved in organizations or to have participated in various political activities.

On the other hand, immigrants who have lived in Canada for longer periods of time have levels of social engagement that equal, or in some instances, surpass those of the Canadian-born population. Of course, the apparent correlation between levels of engagement and period of immigration could reflect actual differences between immigrant populations in different landing periods (language, education, source countries, and so on). Or it may be a further indication of the transition period currently required to establish and join social networks and *become* socially engaged – at least on a level equivalent to the non-immigrant population. Irrespective of which interpretation one prefers, from a policy perspective, a central question is whether and how governments and other stakeholders – including business and labour – can promote social engagement and civic participation, and help to build bridging social capital with newcomer communities.[1]

Building Social Capital through Local Social Networks

The Canadian Labour and Business Centre is currently organizing a series of roundtable discussions in five cities across the country to learn more about recent initiatives being taken to facilitate the successful labour market integration of immigrants. These roundtable discussions are focusing on the perspective of business and labour leaders in the communities, but involve active participation from settlement organizations and representatives of municipal, provincial and federal governments.

The roundtables are providing important insights into the unique circumstances and issues confronting local communities across the country and serve to highlight the potential role that social capital investments could play in facilitating more successful immigrant settlement and labour market integration. While the roundtables are currently underway,[2] a few preliminary observations can be offered:

1) The unique economic and social characteristics of local communities and the level and characteristics of the immigrant populations they receive fundamentally shape the nature and priorities of the issues of concern. For instance, the roundtables have taken place in communities that might be considered 'second-tier' in terms of the number of immigrants received. However, there are differences between these communities in terms of immigrant retention, with some areas losing, and other gaining immigrants through secondary migration. So-called 'bottom-up' initiatives at the local level understand their specific challenges and are well-placed for the development of appropriate actions.
2) Emerging partnerships between community-based organizations, business, labour, educational institutions and governments highlight the potential role that strong multi-faceted networks can play in creating awareness of issues, enhancing access to, and utilization of, information and program resources. As the Policy Research Initiative has observed, the establishment of effective connections, is an issue for newcomers as well as host communities: "Canadian communities and employers frequently face a number of difficulties in reaching out to new immigrants and tapping into their potential contributions" (Policy Research Initiative, 2003).
3) Local stakeholders understand well that integration involves more than "getting a job." Addressing the needs of immigrant families, including housing, education, health care, and financial management are part and parcel of successful *community* integration. Individual stakeholder examples of outreach

Selected Measures of Social Engagement

	Immigrated 1990-2003	Immigrated 1980-1989	Immigrated before 1980	Canadian-born
Sense of belonging to Canada (% saying "very strong")	42.8	50.3	64.6	51.2
Sense of belonging to province of residence (% saying "very strong")	23.1	28.3	36.7	32.9
Sense of belonging to local community (% saying "very strong")	14.6	16.7	22.0	19.2
Involved in at least one organization* (% of persons aged 25-54)	48.6	53.6	63.1	65.0
Participated in political activities* (% of persons aged 25-54)				
• Attended a public meeting	14.6	16.6	22.2	24.0
• Signed a petition	12.2	22.0	29.3	33.3
• Contacted newspaper or politician	8.6	11.6	16.3	13.7

* During previous 12 month period.
Source: Prepared by the Canadian Labour and Business Centre using Statistics Canada, 2003 General Social Survey on Social Engagement, cycle 17: an overview of findings. Catalogue no. 89-598-XIE.

and assistance to immigrant families can be shared and emulated through local social networks.

While the potential of local social networks to facilitate immigrant integration seems promising, the ways and means of establishing, maintaining, and supporting such networks is not clear. Some observers have suggested that governments can play an important role in supporting local initiatives through a social capital investment strategy (Policy Research Initiative, 2003). However, the heavy concentration of immigrants in certain corners of Canada means that immigrant settlement issues could have more political resonance than in other parts of the country where the prevalence of immigrants within the population is far lower. At the federal level for example, there are now 17 federal ridings where immigrants represent a majority of residents.[3] On the other hand, there are 147 federal ridings in which the number of immigrants represents less than 10% of the total population. But for many communities looking to bolster their economic and skills base, it is the relative absence of immigrants and the need to attract and retain them that is precisely the issue.

Conclusion

Not surprisingly, the question of how to improve the labour market integration of newcomers has come to focus on language training, credential assessment services and the adaptation of Prior Learning and Recognition techniques. All of this is well and good, but insufficient. A simple truism explains why. Immigrants do not come to Canada simply to be workers; they come to be Canadians – to be fully participating and active members in the social, cultural *and* economic life of our communities. The labour market integration of newcomers should be supported through policy approaches that seek to encourage civic participation, foster social engagement and build social capital. Indeed, the idea of building social capital may be more of a policy *responsibility* than a policy *option,* as suggested by Woolcock: "vibrancy or paucity of social capital cannot be understood independently of its broader institutional environment" (Woolcock, 2001). The critical importance of social networks is that they encompass the social, cultural and economic relationships that define the dynamics of integration and settlement. On-going community efforts to build such networks are important investments in social capital that could influence a community's ability to attract and retain immigrants, and improve the processes and outcomes of labour market integration.

Notes

[1] For an overview of the debates and issues surrounding social capital as a policy concept and tool, see "The Opportunity and Challenge of Diversity: A Role for Social Capital?" Ottawa: Policy Research Initiative. http://policyresearch.gc.ca/page.asp?pagenm=oecd_synthesis

[2] At the time of writing, three roundtables have taken place – in Fredericton, Hamilton and Victoria. Additional roundtables are planned in Saskatoon and Windsor, Ontario. A full report on the findings from the roundtables will be available from CLBC in May, 2005.

[3] Derek Lee, the Liberal MP for the riding of Scarborough Rouge-River has the highest percentage of immigrants in his riding – 66.8% (2001 Census). With 76,890 immigrants, this single MP represents more immigrants in Parliament than all those elected from Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador combined. The representation of immigrants within the Members of Parliament might also be used as a debating point on the government's capacity to mobilize and attend to issues of settlement and labour market integration. In the 38th Parliament, there are currently 39 foreign-born MPs, six of whom are cabinet ministers. A full list of 308 federal ridings, showing percentage of immigrants within the population is available on the CLBC website. www.clbc.ca

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