

Toronto Region Immigrant Employment Council's (TRIEC) Submssion to the 2017 Pre-Budget Consultations

The Mentoring Partnership: Investing in Mentoring for Skilled Immigrants

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Executive Summary

Introduction

In the release announcing the 2017 federal pre-budget consultations, the House of Commons Standing Committee on Finance indicated it is seeking recommendations regarding measures or actions the Government of Canada can take to help individual Canadians, Canadian businesses and Canadian communities contribute to Canada's economic growth. The Toronto Region Immigrant Employment Council (TRIEC) respectfully submits this brief and a recommendation that responds *directly* to the government's call for measures to *help individual Canadians contribute to Canada's economic growth*, specifically, by **helping unemployed and underemployed skilled immigrants newly arrived in Canada reach their employment goals sooner** through investment in the Mentoring Partnership, a program of TRIEC.

About TRIEC

<u>The Toronto Region Immigrant Employment Council (TRIEC)</u> was founded in 2002 to bring leaders together from all sectors of society to create and champion solutions for the better integration of skilled immigrants into the Greater Toronto Region (GTR) labour market. Since 2004, TRIEC has coordinated the <u>Mentoring Partnership</u>, a well-established program that brings together recent skilled immigrants to Canada and established professionals in occupation-specific mentoring relationships.

We at TRIEC are grateful to the Government of Canada for its current investment in the Mentoring Partnership via Immigration, Refugees and Citizenship Canada. Since its 2004 inception, the program has supported over 11,500 skilled immigrants in the Greater Toronto Region and currently serves 1,300 each year in the region. Across Canada, approximately 650 mentor matches take place each year. Our research indicates, however, that there are 20,000 potential mentees each year in the Greater Toronto Region and another 30,000 potential mentees across Canada outside the GTR who could benefit from the Mentoring Partnership.

TRIEC's Recommendation

TRIEC recommends that the Government of Canada invest in the Mentoring Partnership to increase employment mentoring opportunities for skilled immigrants across Canada.

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About the Mentoring Partnership

Since 2004, TRIEC has coordinated the <u>Mentoring Partnership</u>, a well-established program that brings together recent skilled immigrants to Canada and established professionals in occupation-specific mentoring relationships. Mentees are job-ready immigrant professionals who need help to gain employment that is commensurate with their skills and experience. They have the education, experience, and language skills to succeed in the labour market. What they need are the local insights and access to professional networks that only a one-to-one professional connection with a mentor can offer. The Mentoring Partnership is a powerful, proven, cost-effective program that delivers outstanding economic and social returns:

- In the Greater Toronto Region, fully **75% of mentees matched through the Mentoring Partnership find employment** in their field within one year of completing the program.
- Full-time annual earnings of immigrants who completed the Mentoring Partnership and similar programs across Canada increased from \$36,905 to \$59,944, an increase of 62%.¹
- For the \$1,700 the program invests per mentee, an inexpensive solution compared to the cost of in-house training, the program returns \$15,000 in benefits associated with taxes and another \$2,000 in potential network effects to Canadian society.² This works out to a return of \$10.50 in benefits to Canada for every \$1 invested.³

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TRIEC partners with six Immigrant Employment Councils (IECs) across Canada outside the Greater Toronto Region who deliver programs modelled on the Mentoring Partnership. IEC mentoring programs have built upon the TRIEC model, with each IEC modifying the program to meet local community needs and size. These IECs are:

- Immigrant Employment Council of British Columbia (IECBC) (Vancouver)
- <u>Calgary Region Immigrant Employment Council</u> (CRIEC) (Calgary)
- Edmonton Region Immigrant Employment Council (ERIEC) (Edmonton)
- London-Middlesex Immigrant Employment Council (LMIEC) (London-Middlesex)
- Ottawa Community Immigrant Services Organization (OCISO) (Ottawa)
- Immigrant Services Association of Nova Scotia (ISANS) (Halifax)

Because of the success of the Mentoring Partnership, we know that more skilled immigrants to Canada can benefit from the program. In fact, the Boston Consulting Group recently concluded

¹ <u>http://alliescanada.ca/wp-content/uploads/2010/05/ALLIES_Mentoring_report_2013_final.pdf</u>

² Based on results of an impact analysis conducted by the Boston Consulting Group (BCG) in partnership with TRIEC and LEAP: The Centre for Social Impact. The BCG analysis determined that the initial investment per mentee is paid back to Canada through taxes within two years.

³ This estimate is a conservative reflection of mentoring's contribution as it does not quantify the further impact of employment on health, well-being and future prosperity of immigrant families and the potential decrease in costs to social assistance required.

that there are 20,000 potential mentees each year in the Greater Toronto Region and another 30,000 potential mentees across Canada outside the GTR.⁴ With further investment, this proven mentoring solution can reach thousands more immigrants and their families, giving them that important first Canadian job at the right level for their skills and experience. The benefits are enormous—to individuals, to their families, to their communities and to society.⁵

TRIEC's Recommendation: "Diversity is Canada's Strength"

In the *Speech from the Throne*, delivered in December 2015, the Government of Canada underscored its belief in the value of Canada's diverse residents with the statement, "Diversity is Canada's strength." In the speech, the federal government committed to make it "easier for immigrants to build successful lives in Canada, reunite their families, and contribute to the economic success of Canadians."⁶

The Government of Canada's recently launched *Innovation Agenda⁷* includes the goal of fostering an "*Entrepreneurial and Creative Society*" so that "*Being innovative becomes a core Canadian value*".⁸ There is a necessary and welcome focus on skilled immigrants in the *Innovation Agenda*, as the federal government states that "Highly skilled workers, researchers and entrepreneurs should be welcomed to Canada in higher numbers and at a faster rate than in other OECD countries….".⁹

Recommendation: Building on this, TRIEC recommends that the Government of Canada invest in the Mentoring Partnership to increase employment mentoring opportunities for skilled immigrants across Canada.

Immigrant Unemployment and Underemployment: The Challenge Persists

Every year, a city's worth of new immigrants are welcomed to Canada. In 2014 alone, 260,404 permanent residents arrived in Canada. However, many newcomers require support to effectively enter the labour market at a level that is aligned with their skills and experience. In addition, the current influx of refugees will require support in this area over the coming years. It is important that the foundation for that support is laid now.

Immigrants bring significant education, skills and experience to Canada. Over 51 percent of recent immigrants have a university degree compared to 20 percent of Canadian-born,¹⁰ yet once they arrive in Canada they suffer severe and chronic under- and unemployment. In 2011, the unemployment rate for recent immigrants (those in Canada between 5-10 years) was 8.2 percent; for very recent immigrants (in Canada less than 5 years) it increased to 13.6 percent. This is more than double that for Canadian-born individuals (5.5 percent).¹¹

Once employed, the struggle is not over. A significant wage gap exists between Canadian-born individuals and immigrants with the same level of educational attainment. According to the 2006

⁴ Boston Consulting Group: Driving Optimization and Growth of TMP Market Assessment – Mentees October 2014.

⁵ TRIEC has been working diligently to make the case for increased investment and augment its capabilities to successfully manage such an investment. In 2014, the Mentoring Partnership was chosen by LEAP: The Centre for Social Impact for in-kind investment to accomplish these goals. LEAP applies the discipline of private equity investing to select, support and scale charities with quantifiable social impact. TRIEC has received in-kind consulting support from the Boston Consulting Group, Cossette, Ernst & Young, the Offord Group and McCarthy Tétrault and has generated \$1,600,000 to support technology upgrades, recruiting new employer partners and reaching out to more skilled immigrants.

⁶ Government of Canada: *Making Real Change Happen: Speech from the Throne to Open the First Session of the Forty-second Parliament of Canada.* December 2015. <u>http://speech.gc.ca/</u>

⁷ <u>http://news.gc.ca/web/article-en.do?nid=1084739</u>

⁸ ibid. This is one of six Areas for Action outlined in the backgrounder *Positioning Canada to Lead: An Inclusive Innovation Agenda.* ⁹ ibid.

¹⁰ http://www12.statcan.ca/census-recensement/2006/as-sa/97-560/p13-eng.cfm

¹¹ <u>http://www.statcan.gc.ca/pub/71-606-x/71-606-x2012006-eng.pdf</u>

census, individuals with a university education between the ages of 25-34 earned an average of \$45,100 annually if they were born in Canada, but only \$29,200 if they were born elsewhere.¹²

This gap costs the Canadian economy. In 2011, a study by RBC found that if immigrants' skills were rewarded in a similar way to that of Canadian-born workers, the increase in their incomes would amount to \$30.7-billion – or the equivalent of 2.1 percent of the country's gross domestic product.¹³ A recent Statistics Canada study on immigrants' initial firm allocation and earnings growth shows that immigrants whose first paid employment after arriving in Canada was in high-paying firms fared better in both the short and long term than their counterparts whose first paid employment was in lower paying firms.¹⁴

Studies show that social capital has an impact on labour market outcomes: A more ethnically diverse network plays an important role in the economic integration of immigrants through an increased likelihood of gaining employment.¹⁵ Not only do immigrants have smaller and less diverse networks than their Canadian-born counterparts,¹⁶ there is a link between the sources of information an immigrant uses to look for a job and their incomes. Those who rely on family and friends and personal networks end up in lower wage jobs than those who are able to access more specific information from more appropriate sources. Lack of access to the "hidden job market" and to professional networks is well known to impede the job search.¹⁷

Skilled immigrant women, in particular, face marked challenges integrating into the labour market. The stakes are high because women play a central role in supporting families, both as breadwinners and as caregivers. Currently, 42 percent of skilled immigrants served by the Mentoring Partnership are women.¹⁸ We can grow the numbers of this critical group served by the program with an increased investment by the Government of Canada and the Government of Ontario. Many women served by the Mentoring Partnership go on to "pay it forward" by becoming mentors themselves. The program has been proven to support women's leadership growth and ultimate success in the workplace.

Conclusion

Mentoring is a proven, evidence-based intervention that delivers results for the immigrant and for the Canadian economy. **TRIEC recommends that the Government of Canada invest in the Mentoring Partnership to increase employment mentoring opportunities for skilled immigrants across Canada.** Skilled immigrants have made the choice to come to Canada and contribute to our country. We owe it to them, and to ourselves, to ensure they have the best opportunity for success.

About TRIEC

The Toronto Region Immigrant Employment Council (TRIEC) brings leaders together who are committed to helping immigrants and employers succeed. TRIEC believes that when immigrants prosper, we all do. We help employers make the most of the Greater Toronto Area's culturally diverse workforce. We help immigrants connect to employment that fully leverages their skills and talents. TRIEC does this by partnering with organizations from across all sectors in the GTA, because we believe that a collaborative approach achieves the greatest impact.

¹² <u>http://www.yorku.ca/tiedi/doc/Roundtable%204%20primer.pdf</u>

¹³ http://www.rbc.com/newsroom/pdf/1219-2011-immigration.pdf

¹⁴ http://www.statcan.gc.ca/daily-quotidien/160601/dq160601a-eng.htm

¹⁵ http://www.ci.gc.ca/english/pdf/research-stats/social-capital-w3-eng.pdf

¹⁶ http://www.statcan.gc.ca/pub/11-008-x/2011002/article/11592-eng.pdf

¹⁷ <u>http://www.yorku.ca/tiedi/doc/AnalyticalReport7.pdf</u>

¹⁸ This percentage is an average over the three-year period from 2013-14 to 2015-16.