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Maximizing Potential: How Countries Can Address Skills Deficits within the Immigrant Workforce

By Meghan Benton

TransAtlantic Council on Migration
A Project of the Migration Policy Institute

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Executive Summary

Immigrant workers from across the skills spectrum experience various forms and degrees of skills needs. These range from poor literacy for those who failed to complete formal education, to limited host-country language proficiency, inadequate country-specific "soft" skills, or gaps in technical or professional competences. When these deficits prevent migrants from getting decent jobs with the potential for upward mobility, there can be lasting adverse effects. High-skilled migrants unable to get jobs commensurate to their skills and experience represent wasted talent; middle-skilled workers unable to support their families may end up in a cycle of poverty; and the most disadvantaged may become a net drain on public resources and transfer socioeconomic disadvantage to their children.

Addressing these skills deficits is no easy task. It relies on four main actors, each of whom faces incentives *not* to invest in skills: the migrants themselves, service providers, employers, and policymakers. The first of these actors — migrants — may be disinclined to spend precious time or money on training, especially if they are struggling to survive or see their stay in a given country as temporary. Those who provide training and services on the ground, meanwhile, are under pressure (stronger than ever in the current economic climate) to get people into work as soon as possible, and so are unlikely to take the long view of immigrants' potential. While investing in training is always risky for employers, incentives to invest in migrant workers — often perceived as transient or unpredictable — are particularly low. And for policymakers, investing in newly arrived migrants who have not long paid into the public purse is a prickly issue that comes with political risks.

Immigrant workers from across the skills spectrum experience various forms and degrees of skills needs.

A wide range of programs, both targeted and mainstream, has developed to improve immigrants' skills. Targeted introduction programs seek to provide new arrivals with a minimum of knowledge and skills for the local labor market. Little is known about such programs' long-term effectiveness. Since migrants come from diverse educational backgrounds, any generic (especially language) courses may end up pitching to the lowest common denominator. Grouping learners by ability is one solution, but may require more capacity than is available in most locations. Meanwhile, developing the vocation-specific language skills necessary for most skilled work requires significant time, risking keeping immigrants out of the labor market so long that their skills atrophy. The most promising approaches reduce these opportunity costs by combining vocational and language training or supporting on-the-job skills training, including through subsidized work experience.

Mainstream services enjoy better coverage and reach, and avoid some of the financial and political pitfalls that targeted programs might suffer. But since immigrants face a set of barriers to workforce development systems (including financial restrictions, scheduling problems, conflicting commitments, and difficulties accessing transportation), inclusion requires substantial effort. To address these barriers, policymakers can provide immigrants with information, financial support, and assistance in navigating maze-like systems; they can help educators understand diverse needs and reduce the risk of migrants falling behind; and they can increase the flexibility of vocational systems, by creating "second-chance" systems for those who miss out on traditional routes.

Countries have also been rethinking the role of their public employment services, which have the potential to act as "one-stop shops" for immigrants, addressing many of the barriers described above. Reforms range from training staff and reducing caseloads to improving incentives with the aim of raising standards across the board. The risk is that, by helping the worst off, these services are seen as a last

resort, reducing their value in the eyes of employers.

Increased awareness that employer engagement is critical to ensure training is valued in the labor market has resulted in policies to improve employer incentives to invest and engage in workforce development. But while employer engagement is critical, on-the-job training has important limitations. For example, it is unlikely to suit temporary and flexible workers, many of whom are migrants.

Realizing the promise of migrants' skills is no easy task. In particular, there is no clear answer to how policymakers should balance early access to the labor market against the long-term skills needs of the country. Nonetheless, some principles of good practice can be identified:

- ***Adopt a flexible and calibrated approach,*** accommodating the needs of different groups and allowing learners to progress at different speeds
- ***Consult and evaluate more widely,*** in order to ensure that training has long-term benefits and is valued by employers and learners
- ***Pick the low-hanging fruit,*** by making the small changes (like mentoring and navigation support) that open up existing systems to nontraditional workers
- ***Reduce opportunity costs,*** through designing study to be fitted around work and/or weaving together language with vocational and work experience programs
- ***Adapt mainstream systems to accommodate diversity,*** in order to advantage of the coverage and reach enjoyed by universal services and leave no one behind.

Immigration can be an opportunity rather than an obstacle for workforce development systems. If policymakers can develop institutions robust enough to accommodate the complex learner profiles of migrants, then they will be on much better footing to meet the skills challenges of the future.

I. Introduction

Public confidence in immigration policies hinges in part on the perception that immigrants' human capital is used wisely. Yet immigrants often find it harder than local workers to get "decent" jobs — i.e., family-sustaining jobs appropriate to their skills and experience, with the potential for upward mobility. The reasons for this include lack of proficiency in the host-country language, limited professional networks, lack of familiarity with labor market processes, cultural differences, discrimination, and difficulties demonstrating how qualifications and experience gained abroad fit employers' requirements.[1]

The effects of these obstacles are far reaching, and extend beyond labor market integration alone. Migrants who become stuck in low- and middle-skilled jobs might struggle to keep their families out of poverty or to participate fully in society, while those unable to enter the labor market at all risk becoming a net drain on societal resources. Economic disadvantage can be passed on by parents to their children — with possibly lasting effects, such as the creation of a marginalized underclass. Meanwhile,

1 For a comprehensive list of barriers facing job seekers and how these disproportionately affect new arrivals, see the Organization for Economic Cooperation and Development (OECD), *From Immigration to Integration: Local Solutions to a Global Challenge* (Paris: OECD, 2006): 37. For details of country-specific obstacles, see OECD, *Jobs for Immigrants: Volumes 1, 2, and 3* (Paris: OECD, 2007, 2008, 2012). On skilled immigrants in particular, see Jeanne Batalova and Michael Fix, *Uneven Progress: The Unemployment Pathways of Skilled Immigrants in the United States* (Washington, DC: Migration Policy Institute, 2008), www.migrationpolicy.org/pubs/BrainWasteOct08.pdf.

high-skilled migrants unable to find work at a level commensurate to their skills and experience represent a missed opportunity to boost national competitiveness and productivity and fill perceived skills deficits ("brain waste"). Public support for immigration can be jeopardized if migrants given visas for their special skills end up working in low-skilled jobs, especially if these are jobs that might otherwise be filled by locals.

Helping immigrants get decent jobs and fulfill their potential is not straightforward. While ordinary learning is incremental, with learners progressing from basic to more complex skills, migrants may have more complex learner profiles. For example, they may already possess certain advanced hard skills while lacking very basic language or context-specific skills. Second, not all immigrants have the same needs. The skills needs of newcomers vary widely, based on their existing skills and education levels, country of origin, professional and social networks, how long they have been in the host country, and perhaps most obviously, their reason for migration (e.g., labor, humanitarian, family unification).

Faced with the challenge of maximizing immigrants' human capital, policymakers must address difficult questions about where to prioritize resources. Amid widespread budget cuts, public support for targeted services (customized to suit migrants' complex needs) has waned. Countries on both sides of the Atlantic increasingly support immigrants' skills development largely through mainstream services. This challenging economic backdrop means governments are faced with competing priorities of developing skills for the long run while improving employment rates in the short run. This trade-off is especially pronounced when it comes to migrants, since it is harder for them to get jobs commensurate with their skills and experience. Is it better for migrants to undertake any work at all — even if it does not match their profile — or should policymakers invest in skills development even when such investments take time to pay off?

Faced with the challenge of maximizing immigrants' human capital, policymakers must address difficult questions about where to prioritize resources.

These questions are addressed here, as well as in the other reports in this series, which presents case studies of workforce development in Canada, Germany, and the United Kingdom.[2] This report provides an overview of the main themes, challenges, and policies that emerge from the country case studies, and situates these in a broader context of transatlantic thinking on skills and integration. First, the report discusses how the skills needs of immigrants differ from those of ordinary workers, and identifies a set of immigrant-specific challenges. Then it provides an overview of the key themes and trade-offs that emerge in relation to targeted, mainstream, and employer-led skills development policies. Finally, it draws some conclusions and lessons.[3]

2 See the three forthcoming reports in this series: Anne Green, *Immigrant Workers and the Workforce Development System in the United Kingdom* (Washington, DC: Migration Policy Institute); Karen Myers and Natalie Conte, *Immigrants and Canada's Workforce Development System* (Washington, DC: Migration Policy Institute); and Stefan Speckesser, *Immigrant Workers in the German Workforce Development System* (Washington, DC: Migration Policy Institute).

3 Note that this report deals primarily with authorized workers; unauthorized workers raise another set of challenges that are beyond the scope of this report.

II. The Skills Needs of Immigrants

Workers need skills to allow them to take advantage of the employment opportunities in the local labor market, and, once in work, to keep abreast of technological and occupational changes and to move up the ladder. Throughout their working life, individuals might therefore need to acquire any number of basic skills (e.g., language, literacy, and numeracy) necessary to perform a job, upgrade their skills, or even retrain and learn an entirely new set of skills to better align their abilities with the needs of employers.[4]

While migrant workers share these skill needs, theirs are likely to be configured in more complex ways. Migrants may first need to acquire context-specific knowledge or basic language skills before they are able to apply their existing skills in a local work setting (the challenge of "activating" or "unlocking" existing skills). Additionally, the learner profiles of immigrants are likely to be more diverse than those of traditional workers. High- and low-skilled migrants might share poor language proficiency or information and communications technology (ICT) skills and thus appear to have the same skills needs, but in practice have different levels of educational attainment and literacy in their own language.

Box 1. Defining the Skills Needs of Immigrants

Basic skills. Like local workers, immigrants who failed to complete formal education may lack basic skills such as literacy, numeracy, and information and communications technology skills.

"Soft" or transferable skills. Generic skills like critical thinking, team work, flexibility, and self-reliance can be easily adapted to new settings, but immigrants with limited education may have these in short supply. Even high-skilled migrants with good transferable skills might lack country-specific employability skills such as information and media literacy, and knowledge about local labor market processes and/or the working culture. Different cultural norms may make employers less likely to hire immigrants even if they have a strong set of "hard" skills.

Language skills. The main difference between many immigrants and local workers is their language skills needs. Migrants' needs are diverse, depending on their existing written and spoken proficiency, their cognitive abilities, the language level required by potential employers, and any technical or professional vocabulary necessary for their chosen career.

Technical or professional skills. Labor migrants who are recruited for a particular job are unlikely to have immediate professional skills needs, but others may find that their skill set does not match the jobs available, and face the choice between retraining or downgrading to a lower-skilled job. Since migrant workers have been trained under different professional or regulatory systems, they may lack the specific components or modules necessary to practice in a particular country. Meanwhile, workers who have been out of the labor market for some time (including humanitarian migrants, for example) may find their technical or occupational skills to be out of date.

Meeting these diverse skills needs depends on four main actors (migrant workers, service providers, employers, and policymakers) with different — and often conflicting — incentives, based on cost-benefit analyses of how and whether to invest in training. This gives rise to four types of challenges:

4 However, employers' skills needs are not always fixed. Employers might begin to create jobs that reflect the skills set of the workforce at their disposal. Equally, they might have preferences for a scarce skill set but be willing to accept a worker with good soft skills and thus the ability to learn on the job. See Madeleine Sumption and Demetrios G. Papademetriou, "Skills, Immigration, and the Changing Economy: Planning for an Uncertain Future" (paper prepared for the Transatlantic Council on Migration, Washington, DC, December 10-11, 2012).

- ***The worker challenge.*** Migrants are more likely to be in "survival" jobs, where the main objectives are to keep steady work and earn money (especially if they see their stay as temporary),[5] rather than developing skills for the long run. They also face higher barriers to accessing training, such as poor host-country language proficiency, difficulty paying course fees, limited time, problems accessing child care, and lack of transport. As a result, for many migrants the perceived gains of skills development may not outweigh the costs, or they may be willing to bear the costs in the long run but have to prioritize survival in the short run.[6]

- ***The provider challenge.*** The primary goal in most countries is to get as many job seekers as possible into work; less emphasis is placed on the quality of work they find.[7] Officials may lack the resources or incentive to draw out migrants' potential, and instead pressure them to take low-level jobs, especially in the context of public anxiety about immigration and welfare dependency. And since adult learning and workforce development systems are often oriented toward getting the long-term unemployed into the labor market, they may be ill-equipped to deal with the requirements of higher-skilled workers.

- ***The employer challenge.*** Investing in training is always risky for employers, as they have no guarantee their workers will stay long enough for investments to pay off. Immigrants may be perceived as particularly transient and thus a higher risk.[8] They are also more likely to be on short-term contracts and to be employed through agencies, making employer-led training an even more unlikely option. Employers may lack incentives to upgrade their workforce if the supply of immigrant labor in the workforce makes it cheaper to create more low-skilled jobs than to invest in training or technology to perform the same tasks with fewer people.[9]

- ***The political challenge.*** Like employers, policymakers might see investing in immigrants as especially risky, as they are more likely than native workers to leave the country. Moreover, the anti-immigration climate in which many policymakers operate may make it difficult to gain support for immigrant-specific programs, or for funding streams that enable immigrants to access mainstream services. Spending on new arrivals is likely to be particularly controversial; critics will complain that such arrivals have not yet paid enough into the system to draw from the public purse.

Policy interventions to develop the skills of immigrants fall into two main camps: targeted programs that are often classified as integration policy, and mainstream programs that form components of broader workforce development systems.

5 Bridget Anderson and Martin Ruhs refer to this as a "temporary mindset" in "Migrant Workers: Who Needs Them? A Framework for the Analysis of Shortages, Immigration, and Public Policy" in *Who Needs Migrant Workers? Labour Shortages, Immigration and Public Policy,* eds. Anderson and Ruhs (Oxford: Oxford University Press, 2010). Certain migrants, including mobile European Union (EU) citizens and refugees (who may hope they are ultimately able to return home), may be more prone to this mindset than others.

6 Age is also a factor. Since older workers have fewer years of work ahead, the returns on investments in training are likely to be smaller and may not appear to be worthwhile.

7 See, for example, Angus McCabe, Polly Goodwin, and Karen Garry, *Progress in Implementing the Refugee Employment Strategy: The Birmingham Experience* (London: Employability Forum, 2006), www.employabilityforum.co.uk/documents/Birmingham-research.pdf; Jan Schneider, Michael Fischer, and Vesela Kovacheva, "Migrants in the Job Centre: Qualitative Findings on Migrants' Experiences with Public Employment Support Services in Germany" (HWWI Research Paper 3-16, Hamburgisches Welwirtschafts Institut, Hamburg, 2008), www.hwwi.org/uploads/tx_wilpubdb/HWWI_Research_Paper_3-16_01.pdf.

8 Again, especially some groups such as mobile EU citizens who can easily move elsewhere.

9 For a discussion of this point, see Green, *Immigrant Workers and the Workforce Development System in the United Kingdom*; also for a general discussion of the literature on this topic, see Will Somerville and Madeleine Sumption, *Immigration and the Labour Market: Theory, Evidence and Policy* (London: Equality and Human Rights Commission, 2009), www.migrationpolicy.org/pubs/Immigration-and-the-Labour-Market.pdf.

III. Skills Programs Targeted at Immigrants

Skills development programs designated for immigrants are well placed to cater to their complex and diverse skills needs (described above). But many countries are seeking alternatives to programs tailored to specific groups, because of concerns about cost (see Box 2). Nonetheless, a host of immigrant-specific programs remains, especially for skills needs that are not shared with the population at large, namely orientation and language. Meanwhile, some countries continue to maintain both targeted and mainstream workforce development systems.

Box 2. Mainstream vs. Targeted Policies

Public anxiety about immigration and its costs, coupled with large-scale budget cuts, has put pressure on policymakers to examine alternatives to immigrant-specific programs. "Mainstreaming" integration — supporting immigrants by adapting services that support the population at large rather than maintaining niche programs — is attracting interest across Europe and North America. Since many of the obstacles immigrants face in accessing employment and educational institutions are shared by other disadvantaged groups, the mainstreaming agenda provides an opportunity to strengthen workforce development systems for all members of society.

Targeted programs will always be necessary to some extent; language requirements in particular are likely to be better addressed through targeted services. Most countries will therefore maintain a mix of targeted and mainstream policies. But the appropriate mix of these two approaches continues to be hotly debated in Europe and beyond, alongside the question of how services can be best modified to the unique needs of immigrants without being perceived as favoring them over other groups.

A. Standardized Introduction and Language Programs for New Arrivals

Even countries committed to mainstreaming immigrant integration often allow for one major exception: targeted introduction or settlement programs for certain groups of new arrivals. These introduction programs seek to ensure that new arrivals have a basic knowledge of the host country and its institutions (which they would otherwise have learned at school), and thus equip them with the minimum knowledge and skills they need for the local labor market. The rationale is that intervening early might prevent problems further down the line (indeed, the problems faced by the second generation provided the impetus for these programs in many countries). Other than their shared emphasis on language proficiency, these programs display considerable variation, from standardized, mandatory full-time programs to noncompulsory "à la carte" or "express" options for specific groups.[10]

In the design of these programs, policymakers have two basic options: universal or targeted courses. Universal provision ensures that *all* new arrivals receive a certain baseline of information and training, but runs the risk that courses are oversimplified or aimed too low for most labor market needs. Targeted provision directs support to those who appear to need it most, such as nonlabor migrants, refugees, the unemployed, or — in the European Union — non-EU nationals, but creates a risk that other groups may fall through the cracks. Courses designed for unemployed migrants can be offered as a condition for receiving welfare payments, but there is a risk that this can create a disincentive to find work. A related question is whether incentives are offered for participation (whether rewards for completion or sanctions for noncompletion), as these might place additional burdens on migrants who have to participate alongside work.

10 In continental Europe, these programs are often mandatory (at least for certain groups) and sometimes standardized. In Canada they tend to be self-initiated, and express options are available for those who already speak English. For example, Manitoba's ENTRY program is a four-week program providing settlement orientation and an introduction to English language and services with an express version that covers all four areas in one week. Citizenship and Immigration Canada (CIC), "Best Practices in Settlement Services," www.cic.gc.ca/english/department/partner/bpss/index.asp.

Since these programs fulfill multiple societal aims other than skills development, some countries choose to emphasize knowledge about social and cultural norms, while others use introduction programs as a vehicle for providing work experience, connections to professional networks, and labor market guidance.[11] The right package of support will depend on the country's circumstances and integration priorities. In countries where labor market integration is a priority, vocational content may serve their integration agenda better; another option is to tailor the nonlanguage content to the needs of specific groups.[12]

Some countries choose to emphasize knowledge about social and cultural norms, while others use introduction programs as a vehicle for providing work experience.

One major problem in designing the content of introduction programs is that little is known about what works.[13] It is also difficult to disaggregate the impact of each different component based on the limited evidence available. More important, there is no fixed definition of success. Evaluations tend to employ fairly basic metrics, such as whether participants become "self-sufficient" within a certain period of time. But this is a low threshold for success and does not rule out considerable "brain waste" — plus it fails to account for (positive or negative) long-term effects. While measuring integration is difficult, these programs might benefit from rigorous evaluation using more sophisticated measures.

B. Language and Employability Training for Migrants

Instead of offering universal programs, some countries offer targeted language and employment training only to those who actively pursue it. Theoretically, allowing migrants freedom to assemble their own training package allows them to invest in what will be most valuable to them in their future career. But many migrants may not be able to afford the time or investment without financial support, either through subsidies or loans, or may be unaware of the resources and programs available.

11 In Germany, language courses make up 600 of the 645 hours of time required by the introduction program (although sometimes migrants are given as many as 900 hours of language lessons). In the Netherlands, the emphasis of the nonlanguage component is on civic, rather than labor market, integration. By contrast, in Sweden, the fact that introduction programs are delivered within Public Employment Services (PES) makes them more employment driven. Canada, meanwhile, has an array of employment-driven programs.

12 For example, Germany provides special integration courses for women, parents, young adults, and learners with poor levels of literacy, tailoring content accordingly. See Federal Office for Migration and Refugees, "Integration Courses – what are they?" Accessed October 6, 2013, www.bamf.de/EN/Willkommen/DeutschLernen/Integrationskurse/integrationskurse-node.html.

13 For an overview of attempts to evaluate introduction programs, see Ulf Rinne, "The Evaluation of Immigration Policies" (discussion paper 6369, Institute for the Study of Labor [IZA], Bonn, February 2012), http://ftp.iza.org/dp6369.pdf. According to the Netherlands Institute for Social Research, practically nothing is done to evaluate the labor market impacts of the Dutch integration program; see Jeanine Klaver and Arend Odé, "Civic Integration," in *At Home in the Netherlands: Trends in Integration of Non-Western Migrants*, eds. Mérove Gijsberts and Jaco Dagevos (The Hague: Netherlands Institute for Social Research, 2010), www.scp.nl/english/dsresource?objectid=25439&type=org. In Denmark one evaluation concludes that programs have done little to improve employment prospects in the short run, but concedes that the long-term impact may be greater; see Jens Clausen, Hans Hummelgaard, Leif Husted, Kræn Blume Jensen, and Michael Rosholm, *The Impact of the Introduction Programme on the Labour-Market Integration* (Copenhagen: AKF, Danish Institute of Governmental Research), www.akf.dk/udgivelser_en/2006/effekten_introduktionsprogram/. In Finland a study found that programs increased the employment and earnings of male migrants; see Matti Sarvimäki and Kari Hämäläinen, "Assimilating Immigrants: The Impact of an Integration Program" (discussion paper no. 306, Helsinki Center of Economic Research, University of Helsinki, September 2010), https://helda.helsinki.fi/bitstream/handle/10138/17483/assimila.pdf?sequence=1. Finally, a Swedish study finds that labor market contacts have more impact on employment probabilities than language training; see Elisabeth Svantesson and Ted Aranki, "Do Introduction Programs Affect the Probability of Immigrants Getting Work?" (working paper no. 3, ESI, Örebro University, Örebro, Sweden, 2006), www.ub.oru.se/PageFiles/15372/WP%203%2006.pdf.

I. Language

Because language proficiency is so fundamental,[14] countries often devote considerable funds to national language programs. Some countries (such as Sweden, Denmark, and France) offer free language lessons to all migrants eligible to work.

Generic language courses suffer from two central problems. First, they often combine students with mixed education levels (and thus varying levels of literacy and cognitive ability) in one classroom; and second, they contain little employment-related content.[15]

While there are methods that teachers can employ to deal with the challenges of mixed-ability classes, these problems might be exacerbated for migrant learners. Since each class is likely to include participants from especially diverse educational backgrounds, programs may end up pitched too low for many of the students (or indeed for the needs of employers). Moreover, language barriers may make it more difficult for teachers to assess the cognitive capacities of different learners (necessary for effective "differentiated" — mixed ability — learning). Several countries (including Australia, Sweden, and Denmark) group migrants by education or skill level, but this is likely to be much more costly.

The absence of employment-related content is also problematic. Even jobs at lower skill levels often require some technical vocabulary, while in medium- and high-skilled jobs, a high premium is placed on the ability to communicate effectively and employment may depend on being able to understand complex regulations. While some countries offer generic work-focused language instruction — e.g., based on customer service and office interactions — these programs remain fairly uncommon.[16] Most such courses are offered as add-ons to introductory courses, potentially keeping participants out of work for a considerable period of time.

While some countries offer generic work-focused language instruction... these programs remain fairly uncommon.

Regardless of how courses are designed and delivered, access for learners is a critical question. Language programs need to cater to nontraditional learners' circumstances, including limited funds and child-care obligations.[17] Policies to improve the quality of language provision are therefore often accompanied by measures such as interest-free loans or free programs, free child care, flexible timetables, and access to e-resources, allowing migrants to catch up on classes they miss.[18] But these measures may be a salve rather than a fix. They fail to solve the underlying problem that lengthy courses necessitate long-standing absences from the labor market and a risk of skill atrophy for migrants out of work — and, for migrants in work, take a large chunk of otherwise limited time.

14 For an overview of the literature, see Margie McHugh and Ashley E. Challinor, *Improving Immigrants' Employment Prospects through Work-Focused Language Instruction* (Washington, DC: Migration Policy Institute, 2011), www.migrationpolicy.org/pubs/workfocusedlanguageinstruction.pdf.

15 Ibid.

16 An example of this is Germany's "German for Professional Purposes," a combination of work-specific language training and measures to improve migrants' employability skills, including writing e-mails and letters. See Federal Office for Migration and Refugees, "German for Professional Purposes: ESF-BAMF Programme," www.bamf.de/EN/Willkommen/DeutschLernen/DeutschBeruf/deutschberuf-node.html. Ireland offers a similar six-week language program that includes information on workplace skills, interview skills, living in Ireland, and career guidance. See Pathways to Work, "Employment for People from Immigrant Communities," http://pathwaystowork.eu/en/?p=1458.

17 For a discussion of this point, see McHugh and Challinor, *Improving Immigrants' Employment Prospects*.

18 For example, Australia offers distance learning supported by telephone contact with a teacher because of the prevalence of migrants living in rural areas.

Promising alternatives tackle the opportunity cost head on, for example, through combining vocational and language training in the same classroom.[19] At present these programs tend to be relatively small-scale, but could be scaled up. For migrants within work, another option is to encourage workplace-based language instruction, for example, by subsidizing language training in large companies.[20] This eliminates travel time to class and allows language training to be aligned with employer needs, although there is a risk that language skills learned in a particular workplace will not be transferable to other settings.

2. Vocational and Employability Training

Several different types of training are targeted to the specific needs of migrants, designed either to unlock existing skills or provide migrants with new tools to navigate a foreign labor market. Skilled professionals may need targeted training to plug a gap that results from moving between different regulatory systems. Since their needs are minimal and focused, the potential return is considerable. For example, Canada's bridge training programs provide tailored training for particular sectors and occupations such as engineers, physiotherapists, and lawyers alongside scholarships of up to CAD $5,000.[21] Beyond these narrow cases, the vocational training needs of medium- and high-skilled migrants are usually served through mainstream training systems.

Many countries provide employability training — designed to teach transferable, basic skills relevant to any profession.

Lower-skilled migrants often need more extensive support navigating the host country's working culture and institutions. Consequently, many countries provide employability training — designed to teach transferable, basic skills relevant to any profession. For example, in the United Kingdom, the employability of refugees has been the defining feature of its (very limited) integration policy.[22] The extent to which generic skills can be taught in a classroom is open to debate — particularly for adults who may have been out of the workforce for some time. Moreover, intensive employability services tend to be costly

19 For example, Washington State's I-BEST program provides vocational and language training in the same classroom and tries to accommodate nontraditional learners (e.g., through support for part-time learning, assistance with transport, and child care), resulting in better outcomes than for those enrolled in language classes alone. David Jenkins, Matthew Zeidenberg, and Gregory Kienzl, "Educational Outcomes of I-BEST, Washington State Community and Technical College System's Integrated Basic Education and Skills Training Program: Findings from a Multivariate Analysis" (CCRC Working Paper no. 16, Community College Research Center, New York, May 2009), http://ccrc.tc.columbia.edu/media/k2/attachments/educational-outcomes-of-i-best.pdf.

20 How governments choose to allocate funds for work-based language training varies enormously. In Denmark workers are entitled to take free language lessons in the workplace if there is a critical mass of learners, thus enabling the course to be tailored to specific needs. See Marie Preisler, "Free Workplace Language Training in Denmark," *Nordic Labour Journal*, May 10, 2011, www.nordiclabourjournal.org/i-fokus/in-focus-2011/languages-1/article.2011-05-06.7801926578. In the United States a few programs provided by nonprofit providers (although with some federal funding) target low-skilled migrants seeking to move into middle-skilled jobs in industries such as hospitality, manufacturing, construction, and health care. See Laura Chenven, *Getting to Work: A Report on How Workers with Limited English Skills Can Prepare for Good Jobs* (Washington, DC: AFL-CIO Working for America Institute, 2004), www.workingforamerica.org/documents/PDF/GTW50704.pdf.

21 Myers and Conte, *Immigrants and Canada's Workforce Development System.*

22 Intensive employment advice, language training, and mentoring provided by programs like the Refugee Integration and Employment Service and the Employability Forum in the United Kingdom generated some positive labor market outcomes, but amid significant cuts to the public and nonprofit sectors, their long-term sustainability is increasingly unclear. A host of employability programs were developed in the 2000s, including the Trellis project, SUNRISE (and its successor, the Refugee Integration and Employment Service), the Employability Forum, and the Refugee Education Training Advice Service. These were government-supported programs (and often supplemented with European Social Fund money) delivered primarily by nongovernmental organizations (NGOs). See, for example, Jenny Phillimore, Louise Craig, Lisa Goodson, and Sian Sankey, *Employability Initiatives for Refugees in Europe: Looking at, and Learning from, Good Practice* (Birmingham: Centre for Urban and Regional Studies, University of Birmingham, 2006), www.equalworks.info/resources/contentfiles/1648.pdf. Many of these services have since seen their funding largely or wholly cut.

(especially if added to the cost of supporting someone who is out of work), hence it is unlikely they could be provided on a large scale in the current economic climate.[23]

3. Work Experience

Another way to structure training is for governments to subsidize internships or apprenticeships so migrants can gain work experience. This can serve several objectives. It reduces the perceived risk for employers of taking someone on with foreign credentials and/or no references, in effect allowing employers to "test drive" migrant workers. Even if migrants are not ultimately given a job, they may acquire professional contacts that improve their chances of getting a job in the future. They also have an opportunity to acquire on-the-job skills.

Subsidized work experience takes a range of forms, with variations in length, target groups, eligible employers, and level of subsidy. One particular distinction is between programs that provide the opportunity for migrants to *demonstrate* their skills, and those that provide the opportunity for migrants to *develop* their skills. Canada's Career Bridge program is designed to give mid-level, internationally trained professionals a chance to have their existing skills recognized (and thus be able to qualify for certain types of employment).[24] By contrast, Denmark's "staircase" program provides step-by-step intensive training to unskilled workers, giving them the possibility of subsidized employment for a year with training provided at each stage, where necessary.[25] Other programs include Sweden's "step-in" job program for new arrivals, which is designed to run alongside "Swedish for Immigrants" and can last for up to six months (although each new arrival can have a maximum of 24 months' work experience from different employers).[26]

The drawbacks of work experience programs are that they channel money into the private sector by providing cheap or free labor ("deadweight loss"), and create a risk that participating workers will acquire firm-specific skills that are not transferable to other settings. But the potential gains are considerable, since work experience provides multiple routes to labor market success. These programs might also have a ripple effect if they encourage employers to recruit outside their normal pool or engage in identifying and developing immigrants' skills.

IV. Reforming Mainstream Services

Immigrants face a number of informal and formal barriers to identifying, accessing, and completing training.[27] First, they may lack information on how to access training, the quality of provision, or the potential return on investments in training.[28] Once they have identified training they may be unable to

23 Kemal Ahson, *Refugees and Employment: The Trellis Perspective* (London: Lifeworld, 2008), www.employabilityforum.co.uk/documents/TrellisImpactReportFINAL2008.pdf.

24 Myers and Conte, *Immigrants and Canada's Workforce Development System.* For a discussion of how local work experience serves to "unlock" credentials acquired in the country of origin, see Madeleine Sumption, *Tackling Brain Waste: Strategies to Improve the Recognition of Immigrants' Foreign Qualifications* (Washington, DC: Migration Policy Institute, 2013), www.migrationpolicy.org/pubs/credentialing-strategies.pdf.

25 Eurofound, "Agreement on Integration of Immigrants Includes Job Package Plan," www.eurofound.europa.eu/eiro/2007/01/articles/DK0701029I.htm.

26 Arbetsförmedlingen, "We help you find a job in Sweden," accessed October 7, 2013, www.arbetsformedlingen.se/Globalmeny/Other-languages/New-in-Sweden/We-help-you-find-a-job-in-Sweden.html.

27 For a comprehensive account of the formal and informal barriers immigrants face in accessing training in Canada, Germany, and the United Kingdom, see the other reports in this series: Green, *Immigrant Workers and the Workforce Development System in the United Kingdom*; Myers and Conte, *Immigrants and Canada's Workforce Development System*; and Speckesser, *Immigrant Workers in the German Workforce Development System*.

28 Speckesser, and Myers and Conte observe that navigating institutional complexity is a particular problem for federal

afford it, especially if they are in low-paid jobs or are ineligible for public support.[29] Since nontraditional learners may have child-care or work obligations, their schedule may not suit programs only offered on a full-time basis or during working hours. Finally, courses designed for native speakers or learners who have been through the local education system might have informal or formal requirements that debar or deter immigrants from participating.

These barriers can exacerbate one another, snowballing into larger problems. Learners may fall behind because of difficulties balancing family, work, and study; transportation problems; and fluctuating work schedules. These gaps can easily widen if language problems make it hard for learners to catch up, running the risk that they drop out (indeed the attrition rate for immigrants is thought to be higher than for local learners). Unfinished programs can be a source of debt without providing the positive returns intended.

Successfully accommodating immigrants through mainstream systems depends on removing these blockages, whether through wholesale reform to make systems more flexible or by providing "add-on" support to help immigrants navigate, access, and finance existing systems.

Courses designed for native speakers or learners who have been through the local education system might have informal or formal requirements that debar or deter immigrants from participating.

A. Adapting Training Systems to Support Nontraditional Learners

Adult education systems differ widely, especially in the extent to which they provide an alternative to learners who have missed out on the traditional education system. The United States, for example, has a highly developed "second-chance system" for those who have not received their high school diploma, providing a de facto "first-chance system" for migrants. By contrast, Germany has only a fledgling second-chance system, choosing instead to focus on improving access to the mainstream vocational system, which is highly regarded.[30]

Adult education systems with flexible age criteria that allow workers to return to training at any point in their career can help to accommodate those with nontraditional career paths, including immigrants. Other interventions seek to remove barriers, improve individual incentives to learn, or provide support in navigating mainstream systems.

- ***Improving information sharing.*** Disadvantaged groups often have problems navigating the jungle of offerings available. As a result they may not undertake training at all, or may invest in training that does not pay off. A variety of tools can improve information, including databases, online portals, help lines, drop-in centers, and "learning ambassadors" (informal contacts

systems where there are multiple layers of government or where there are various nongovernmental actors. See Myers and Conte, *Immigrants and Canada's Workforce Development System*; and Speckesser, *Immigrant Workers in the German Workforce Development System*. Meanwhile, in the United Kingdom, cutbacks to in-person guidance services, often outsourced to NGOs or provided over the phone or Internet, have made identifying the right training more difficult even while frequent reforms make the system more complex to navigate. See Green, *Immigrant Workers and the Workforce Development System in the United Kingdom*.

29 For example, in Canada funding for training is provided through unemployment insurance, which is only available for people who have worked in the country; in the United Kingdom it is only available after a certain period of residence. Germany has recently integrated its two funding streams, making training available regardless of the type of assistance one was receiving.

30 For more information see the Federal Ministry of Education and Research, "JOBSTARTER: A New Funding Programme for More Training Places," accessed October 6, 2013, www.jobstarter.de/en/104.php.

who teach by example).[31] Services developed for young people might also provide a good model here: for example, several countries have established career-planning websites that provide information on the pathways to different careers, with data on employment conditions, employee satisfaction, employment rates, and salaries by educational attainment and field.[32]

- ***Adapting to diversity.*** Because migrants have complex learning profiles and are likely to have poorer language proficiency than traditional learners, they may require additional help in the classroom. Small tweaks — e.g., ensuring teachers are aware of the diverse needs of learners and provide additional time at the end for non-native speakers to recap what they have learned — can help reduce the risk of migrant learners falling behind. Other approaches seek to make it easier for nontraditional learners to fit training around their schedules. Distance learning in particular allows learners to study in their own time and catch up on missed sessions, but for some immigrants the requirement for ICT skills poses an additional barrier.

Reforming vocational education. Countries with long-standing traditions of vocational training, such as Austria and Germany, have firmly entrenched pathways into work through the "dual system."[33] But respect for this route is so high that it has become a virtual requirement for employment in some fields, thus creating a barrier to entry for those with nontraditional backgrounds.[34] Since the respect of employers derives from workers having gone through the system (rather than possession of a certain skill or qualification) it can be difficult for migrants to demonstrate how they are qualified or identify additional training that might in some way "complete" their skill set. Elsewhere, such as in the United Kingdom and United States, vocational training is often seen as the poor cousin of the more prestigious university education, making it hard to create predictable pathways into middle-skilled work.[35] Creating a middle ground where well-respected qualifications are both widely accessible and can be earned in multiple ways is a persistent challenge.[36]

Nontraditional workers are better accommodated in flexible systems with multiple pathways to both training and work. But if the system works for the population as a whole, there will be little appetite for wholesale reform; meanwhile, countries still mired in recession may see themselves as having bigger fish to fry. Regardless of how countries address broader questions about their workforce needs, access to training will continue to be a critical concern — and may be a relatively inexpensive point to address, with room for innovation.

B. Reforms to Public Employment Services

Public Employment Services (PES) can serve as one-stop shops that support migrants in navigating the complexity of different workforce development programs. They provide a range of services, including advice about the local labor market, information about training, job search and interview counseling, job brokering, and in some countries, even credential recognition. However, in many countries, PES are underused and not well regarded. Because they help the most vulnerable members of society, they can

31 Since migrants often get information on training or employment opportunities from informal contacts, "learning ambassadors" may encourage participation to snowball. See OECD, *Promoting Adult Learning* (Paris: OECD, 2005).

32 See OECD, *Learning for Jobs* (Paris: OECD, 2010): 86, www.keepeek.com/Digital-Asset-Management/oecd/education/learning-for-jobs_9789264087460-en.

33 An apprenticeship system for young people comprising integrated work-based and school-based training, widely recognized as an effective model for prestigious vocational training.

34 In addition, it is sometimes entrenched in formal regulation and protected by professional and occupational interests.

35 For a review, see OECD, *Learning for Jobs*.

36 In Germany a conversation about breaking vocational learning down into modules to provide flexible learning has been going on for some time, in part because of concerns about disadvantaged second-generation migrants. But modular programs are small scale, in part because there is little demand for reform as the system works well overall. For details of programs, see QualiMoVET, "Programmes and Modules for Socially Disadvantaged Young People: Two Examples of Good Practice in Germany," www.adam-europe.eu/prj/4308/prd/3/1/National_Study_Germany.pdf.

be seen (by employers and job seekers alike) as a last resort. This can lead to a vicious circle in which skilled workers are less likely to use these services, and employers are inclined to use alternative routes.[37] In addition, these services (such as career-guidance programs) are often staffed by nonexperts, who have inadequate knowledge about the specifics of individual careers or the labor market as a whole.[38]

In addition, in cases where PES also administer benefits, migrants may feel pressure to take jobs below their qualifications under threat of removal of benefits. Some staff may have to fill quotas on the number of people they match with jobs, resulting in pressure to get people through the system as quickly as possible.[39]

Two main approaches have been taken to address these problems:

- ***Adapting PES to diversity.*** Processes that work for local job seekers may be less effective for migrants. Officials may not understand how to deal with people with a nontraditional background, may have trouble communicating with migrants with poor host-language proficiency, or may not have the flexibility to do so (due to time pressures, for example). To that end, some countries have officials that deal just with migrants. For example, Sweden's PES now have responsibility for delivering the introduction program to new arrivals. Those who deal with new arrivals have a smaller caseload and are trained to employ different tools, such as arranging meetings rather than sending résumés and cover letters.[40] Evaluations suggest that this type of approach improves participation in employment and education, but that advantages are slow to materialize.[41]

- ***Improving practitioner incentives.*** Targets adopted by PES can create perverse incentives, for example, to get job seekers into work below their skill level. Some countries including the Netherlands and the United Kingdom outsource employment services to private companies to encourage innovation and raise the profile of employment services.[42] If private companies can choose whom to help, they are less likely to be seen by employers as putting forward "last-resort" candidates to employers. One drawback of this is that it can encourage these companies to cherry-pick the best candidates (and leave the most vulnerable, including

37 See Christian Albrekt Larsen and Patrik Vesan, "Why Public Employment Services Always Fail: Double-Sided Asymmetric Information and the Placement of Low-Skilled Workers in Six European Countries," *Public Administration* 90, no. 2 (2012): 466–79. Research from the United Kingdom finds that job centers account for a low proportion of successful employment outcomes. See Alessio Cangiano, "Employment Support Services and Migrant Integration in the UK Labour Market" (HWWI Policy Paper 3-7, Hamburgisches Welwirtschafts Institut, Hamburg, 2008), www.hwwi.org/en/publications/publications-single-view/employment-support-services-and-migrant-integration-in-the-uk-labour-market///6483.html.

38 For more on this, see chapter 3 of OECD, *Learning for Jobs.*

39 Studies in several countries have uncovered these types of problems. See, for example, Sonia McKay, ed., *Refugees, Recent Migrants and Employment: Challenging Barriers and Pathways* (New York: Taylor & Francis, 2009); Jenny Phillimore and Lisa Goodson, *New Migrants in the UK: Education, Training and Employment* (Stoke-on-Trent: Trentham, 2008); Nikhat Rasheed, *Understanding the Employment Service Needs of Internationally Trained Immigrants* (Ontario: Colleges Integrating Immigrants to Employment, 2009), http://triec.ca/wp-content/plugins/document_manager/views/file_download.php?fname=understanding_the_employment_service_needs_of_itis.pdf&fid=360; Schneider, Fischer, and Kovacheva, "Migrants in the Job Centre."

40 Statskontoret, "Administrative Costs of the Swedish Public Employment Service Survey, Analysis and Recommendations for Improved Accounting," www.statskontoret.se/in-english/publications/2012/administrative-costs-of-the-swedish-public-employment-service-survey-analysis-and-recommendations-for-improved-accounting-201216/.

41 A study of intensive vis-à-vis normal employment service support in Sweden found better participation rates in both employment and further training (there was less of an effect for women, who were also likely to see advisers fewer times over the course of a year). But it takes two to three years for the savings associated with higher numbers of people in jobs to exceed the costs of intensive training. Additionally, the sample may not have been entirely random as officials had reason to select more easily helped migrants. See Pernilla Andersson Joona and Lena Nekby, "Intensive Coaching of New Immigrants: An Evaluation Based on Random Program Assignment," *The Scandinavian Journal of Economics* 114, no. 2 (2012): 575–600.

42 In the United Kingdom reforms in 2001 to make JobCentre Plus more responsive to the needs of disadvantaged groups included a system of incentives for placing target groups (including ethnic minorities, but not migrants as such) into work. Even though migrants were not directly targeted (and in some cases were not even eligible to use JobCentre Plus services), the Labor Force Survey of 2007 suggested that they were high users of these services. See Cangiano, "Employment Support Services."

migrants, without help). Potential ways around this problem include incentive systems that allocate additional funds to workers who are hard to place, or that make new business conditional on fulfilling certain targets.

As established public institutions, PES have extensive coverage and reach, and are well placed to offer a guiding hand to new arrivals. But in order for services to work they have to serve everyone — not only immigrants. Government programs must avoid being perceived as prioritizing immigrants, or risk being stigmatized. Training and outsourcing staff are ways to lift standards across the board, and might increase the sensitivity of service providers to diverse needs.

V. Engaging Employers

Employer-led training increases the likelihood that skills will be applied and relevant in the workplace. But employers have little incentive to invest in human capital to a "socially optimal" level, since they do not internalize the full benefits of training when workers leave. This, in theory, can result in a collective action problem whereby employers might theoretically benefit if all others are engaged in training (as they could poach these workers), but no single employer has reason to do it without incentives. Accordingly, employers might rationally choose to create low-productivity jobs rather than invest in training, especially where there is a high volume of low-skilled labor in the workforce.[43]

A further problem is that migrants appear to be underrepresented in employer-led training.[44] Explanations for this might include the higher prevalence of immigrants in low-skilled work and flexible working arrangements, employers' lower incentives to invest in potentially transient workers, and discrimination. Employers investing in their immigrant workforce tend to be large businesses.[45] Small businesses often lack the spare resources (either to invest in workers or to cover their absence), the expertise (larger organizations can afford in-house human resources or teaching staff), or the numbers of staff to make training viable.[46] Since up-skilling is likely to encourage workers to seek promotion, small businesses may face disincentives to invest in training if they lack promotion opportunities.

Governments have employed various tools to engage employers:

- ***Financial incentives.*** The rationale for subsidizing training is that it will alter the cost-benefit calculus for the employer; by footing a portion of the bill, the government makes investing in training worthwhile. Options include tax credits, training grants (i.e., for a proportion of the cost of training), and incentives to give employees time off for training.[47] But these approaches run the risk that the government pays for training that employers would have funded

43 Analysts suggest that this is a particular problem in the United Kingdom (see Green, *Immigrant Workers and the Workforce Development System in the United Kingdom* for a summary), although this might be because the country has seen greater scrutiny than elsewhere. The 1997-2010 Labour government's focus on supply-side policies, on the assumption that this would encourage employers to create higher-skilled jobs, may in fact have reinforced employers' disincentives to invest in training. As a result, many workers got jobs that did not utilize their skills, and the anticipated payoff in productivity levels did not arrive. See Ewart Keep, Ken Mayhew, and Jonathan Payne, "From Skills Revolution to Productivity Miracle: Not as Easy as it Sounds?" *Oxford Review of Economic Policy* 22, no. 4 (2006): 539–59, www.training.nsw.gov.au/forms_documents/industry_programs/workforce_development/skill_ecosystem/keep_mayhew_payne.pdf.

44 For an overview of the literature, see also Elizabeth Collett, "The Role of Employers in Immigrant Workforce Development" (paper prepared for the Transatlantic Council on Migration, December 10-11, 2012).

45 For example, in the United States, McDonald's provides language training for low-skilled workers through its "English under the Arches" program, while Marriott provides distance-learning products for its employees seeking to become proficient in English or in other languages.

46 Collett, "The Role of Employers in Immigrant Workforce Development."

47 For an overview of the literature, see Richard Brisbois, Nicole Pollack, and Ron Saunders, *Lessons from Other Countries Regarding Incentives for Employer-Sponsored Training* (Ottawa: Canada Policy Research Networks, 2009), www.cprn.org/documents/51134_EN.pdf.

themselves ("deadweight loss") and that employers use subsidies to fund firm-specific training. One option is to intervene only where there is clear market failure. For example, the UK government took the view with its "Train to Gain" program that the only way to push employers out of their low-skilled business model was to fund investment at lower skill levels, with the hope that this would kick-start investment in middle-level skills training further down the line. But evaluations of this program found it was difficult to get employers to take a long-term view of their skills needs.[48]

- ***Mandatory investment.*** A simple way around the market failure that leads to low employer investment in training is simply to make it mandatory. In France employers are required to spend a certain proportion of employees' income on training (at least 1.6 percent), which has recently been modified so that language training counts toward the quota.[49] Similarly, in the Netherlands employers pay a compulsory part of personnel costs into training and development funds, under collective labor agreements, for which they are entitled to refunds for training employees.[50] But compulsory investment can encourage employers to spend only the minimum, or to invest in effective training.[51] Spending from these training levies tends to favor high-skilled employees, and will not support lower-skilled migrants. In fact, since additional burdens reduce incentives to hire employees, these programs hit the most vulnerable — including migrants — hardest.

- ***Informing and engaging business.*** Lack of employee engagement is in part due to lack of information. One solution is to demonstrate to employers why it is worth investing in training by providing information on labor market trends and training outcomes.[52] Another approach is to encourage business leaders to commit publicly to addressing skills issues within their workforce.[53] Evidence on whether these programs succeed in changing employer behavior is limited. Engaging employers is much easier in countries with entrenched systems for consulting with employers (e.g., Denmark, Sweden, and Finland), to the extent that lifelong learning has become institutionalized in a way it is not elsewhere.[54] Replicating these structures in countries without this tradition is difficult as it requires the government to establish institutions and then persuade business that the system is "employer-led."[55]

On-the-job training has two main advantages: it does not require new arrivals to be out of the labor market, and it can be more directly relevant to workers' jobs than many classroom-based courses. But many countries face significant challenges in motivating employers to invest in their workforce. Employer-led training suits migrants in permanent positions whose employers are willing to invest, and where skilled positions are available for workers to move into. For those who work in small and medium

48 For the official evaluation, see Learning and Skills Council (LSC), *Train to Gain Employer Evaluation: Sweep 1 Research Report* (Coventry: LSC, 2008). http://readingroom.lsc.gov.uk/lsc/national/nat-ttgemployerevaluation-may08.PDF. For a broader critique, see Ewart Keep, "A Comparison of the Welsh Workforce Development Programme and England's Train to Gain" (SKOPE Research Paper No 79, ESRC Centre on Skills, Knowledge and Organisational Performance, University of Cardiff), www.skope.ox.ac.uk/sites/default/files/SKOPEWP79.pdf. But there is some evidence that ethnic minorities (and by extension, immigrants) were beneficiaries. See Cangiano, "Employment Support Services and Migrant Integration in the UK Labour Market."

49 OECD, *Jobs for Immigrants: Volume 2.*

50 Karel Visser, *Netherlands: VET in Europe — Country Report* (European Centre for the Development of Vocational Training (CEDEFOP), ReferNet Netherlands, 2011), http://libserver.cedefop.europa.eu/vetelib/2011/2011_CR_NL.pdf.

51 For an overview of the evidence, see OECD, *Learning for Jobs*.

52 This is the main approach taken by the United States. The Department of Labor provides a suite of websites that help businesses, students, and workers access career, jobs, and service resources. See US Department of Labor, Employment and Training Administration, "Introducing American Job Center," www.careeronestop.org/.

53 UK Commissioner for Employment and Skills (UKCES), "Skills Pledge," accessed October 6, 2013, www.ukces.org.uk/ourwork/pledge.

54 For example, in Denmark, following agreements between government and the social partners, unions and employers now incorporate adult learning into collective wage agreements. See OECD, *Policy Brief: Economic Survey of Denmark, 2008* (Paris: OECD, 2008), www.oecd.org/economy/surveys/40101460.pdf.

55 For a discussion of the difficulties in establishing sector skills councils in the United Kingdom, see Jonathan Payne, "Sector Skills Councils and Employer Engagement — Delivering the 'Employer-led' Skills Agenda in England" (SKOPE Research Paper No 78, ESRC Centre on Skills, Knowledge and Organisational Performance, University of Cardiff), www.skope.ox.ac.uk/sites/default/files/SKOPEWP78.pdf.

businesses, in temporary or contract work, or in jobs with limited career ladders into skilled work, employers have little incentive to support skills development. While employer-led training is important, it has clear limitations.

VI. Conclusions

As countries emerge from the Great Recession, ambitious hopes are pinned on skills policy. Migrants' skills are often seen as an untapped resource that, with the right formula of policies, could bolster competitiveness, fuel productivity, and facilitate social and cultural integration. Policymakers crafting such a strategy have an ample toolbox to draw from, including introduction programs, language and employability training, reforms to public employment services and training programs, and engaging employers. But realizing the promise of migrants' skills is no easy task, for several reasons:

- ***Practical challenges.*** Migrants have more complex skills needs than local workers, because of their need for country-specific skills in particular, and because they are more likely to be have a unique learner profile (e.g., high educational attainment but with the need for basic language skills).
- ***Conceptual challenges.*** The actors involved in migrants' skills development — including service providers, policymakers, employers, and migrants themselves — have reason to prioritize finding work quickly over developing skills in the long run.
- ***Institutional challenges.*** Developing the skills of migrants depends on multiple agencies at different layers of government, alongside nongovernmental actors and employers.

Overcoming these challenges is difficult. In particular, there is no easy answer to how policymakers should balance early access to the labor market against the long-term skills needs of the country. However, a few principles of good practice can be identified:

1. ***Adopt a flexible and calibrated approach.*** Policies should be mindful of the various objectives that skills policy serves while being sensitive to diverse learner profiles. For example, decisions about whether to invest in workers in the long run or get them into jobs in the short run might depend on variables such as their current skill level, how complex their skills needs are, and their age. One group should not be prioritized at the expense of others. There might be less costly ways of supporting certain groups who have simpler needs (such as temporary workers who may have different integration needs than longer-term migrants) — for example through short-term introduction programs. Programs should be flexible, as far as is possible without losing their rigor, by allowing part-time, modular learning (and for learners to progress through them at different rates).

2. ***Consult and evaluate more widely.*** One common theme on both sides of the Atlantic is that very little is known both about what programs work or what employers want. Many of the programs discussed here are poorly evaluated. If policymakers wish to weigh the cost-effectiveness of different investments, they might fund innovative research that assesses different labor market outcomes over longer time periods. Meanwhile, there is no point in providing or funding training that learners or employers do not value, suggesting a greater need for employer consultation.

3. ***Pick the low-hanging fruit.*** While some governments are involved in wholesale redesigns of their skills systems, this should not prevent them from making incremental changes in the meantime. In some cases, immigrants would benefit from "add-ons" to current systems in the form of mentoring and navigation support, or extended time with service providers. While such improvements are often seen as the most expendable in times of economic strife, failing

to make small changes that open up existing systems will cost money in the long run.

4. ***Reduce opportunity costs.*** Time is especially precious for migrant learners, many of whom juggle competing work, family, and study commitments while requiring additional time to learn. Training that fits around work and other commitments — both in terms of time and location — is likely to reduce the risk of dropouts. Weaving programs together or combining skills training with work experience might reduce absence from the jobs market.

5. ***Adapt mainstream systems to accommodate diversity.*** Although targeted programs are tailored to the needs of migrants, they can often only be provided on a small scale and thus help a minority of candidates. Universal services offer the potential to better support all groups in need; such programs' coverage and reach means no one is turned away. But success is contingent on services being easy to access — migrants might need additional guidance, information, and support in navigating mainstream systems — and working for everyone. In other words, successful programs are respected by employers and not seen as a last resort for the worst-off.

There is no easy answer to how policymakers should balance early access to the labor market against the long-term skills needs of the country.

Addressing the skills needs of immigrants across the skills spectrum is a significant challenge. But if policymakers are able to introduce workforce development institutions robust enough to accommodate even the complex learner profiles of migrants, they will be on much better footing to meet the skills challenges of the future.

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