

# Intelligence MEMOS



From: Parisa Mahboubi  
To: Ahmed D. Hussen, Minister of Immigration, Refugees and Citizenship  
Date: August 3, 2017  
Re: **LET'S TOUGHEN LITERACY STANDARDS TO BOOST IMMIGRANT SUCCESS**

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Strong literacy skills improve new immigrants' employability and earnings capacity. But immigrant literacy skills in Canada lag non-immigrants despite the large proportion of immigrants with university degrees, according to the 2012 OECD Programme for International Assessment of Adult Competencies (PIAAC). My latest research for the C.D. Howe Institute — *The Power of Words: Improving Immigrants' Literacy Skills* — argues for policies to enhance immigrants' literacy skills through improvements in Canada's immigration selection and settlement policies.

The literacy skills gap between immigrants and non-immigrants is evident across all levels of education, including university-educated immigrants. It underscores why some immigrants struggle to successfully transfer their skills upon arrival. Among immigrants, however, those who obtained their highest educational attainment in Canada perform better than others perhaps due to having a better knowledge of language and receiving a [high-quality education](#).

My study shows that, indeed, language is a major factor in the skill gaps between immigrants and non-immigrants. Better language abilities in English or French result in higher literacy outcomes among immigrants, allowing them to do better in the labour market.

Australia has a comparable immigration system, but its immigrants outperform Canadian immigrants in literacy scores. Why? Australia's changes to language testing for prospective immigrants in 1999 is a major cause of improvements in the average performance of immigrants, particularly those with a mother tongue other than English.

Although Canada announced similar policy reforms to its immigration system around 2010, its approach is more lenient than Australia's. Canada assigns two-thirds of total possible language points to applicants under the [Federal Skilled Worker program \(FSW\)](#) who meet the minimum English Language Testing level while Australia provides no reward for candidates under its [skilled immigration program](#) with the same level of language proficiency.

In other words, applicants who demonstrate language skills that meet the most minimal thresholds have a much higher chance of being admitted for immigration in Canada relative to Australia. This implies that Australia's system targets candidates with superior language skills, who are more easily able to integrate and access more opportunities for gainful employment, while Canada only screens out applicants with very limited language ability.

The growing importance of immigration as a source of growth for Canada's labour force requires a more effective immigration points-based system that selects the best candidates, according to their ability to settle in Canada, either by giving more weight to language proficiency or by making language testing more rigorous, or a combination thereof.

The government can also grant permanent residency to more former international students who obtained Canadian credentials. Further, immigrants not admitted through the points system — those in family class and refugees — tend to struggle the most with literacy, so federal and provincial governments need to make sure new better, more rigorous language training is available.

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