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Introduction to the Special Issue

Demographers are in a unique position of being able to offer an evidence-based perspective on demographic change and population-related issues. The need for evidence-based knowledge is paramount for developing effective strategies of action (policies) to manage population change. In this regard, the goal is not "social engineering" or even controlling population *per se*, but focuses on implementing national and regional policies that help promote population well-being. For example, these policies include: setting immigration targets based on actual population needs, not rhetoric or political ideologies; eliminating barriers to the successful social and economic integration of immigrants; developing family planning programs that contribute to healthy pregnancies and postnatal care; introducing public daycare programs and early childhood education to help parents better balance the demands of earning and caring; and creating public pension plans to provide for the income needs of retirees. Hence, understanding the changing needs of populations is the domain of demographers, whose purpose is to inform strategies for the well-being, and indeed survival, of populations.

This special issue of *Canadian Studies in Population* is sponsored by the Population Change and Lifecourse Strategic Knowledge Cluster (PCLC). The objective of the PCLC is knowledge mobilization of demographic issues and building a strong link between evidence-based demographic research and social policies. This special issue on social policies and demographic change is aimed at helping fulfill these objectives. As editor of this special issue, I am pleased to present an exceptional collection of six articles authored by distinguished demographers, including Roderic Beaujot, Monica Boyd, Xingshan Cao, Barry Edmonston, Eric Fong, Jacques Henripin, Susan McDaniel, and Zenaida Ravanera. The articles address important and timely demographic issues, including reform to Canada's pension system, a comparative study of aging and policy challenges, discussions on how immigrant earnings are affected by language proficiency and foreign educational credentials, an exploration of Canada's need for higher immigration targets, and an examination of trends in earning and caring as these pertain to family and child care policies.

Henripin ("Aging and the Necessity of a Radical Reform of the Canadian Pension System") outlines the looming challenge of financing adequate pensions to an aging population, and proposes an innovative solution

for overcoming the inherent weaknesses of the present CPP-RRQ system. As Henripin observes, Canada's pension system is underfunded in comparison with other Western countries, and leaves most retirees dependent on private sources of old-age income. In addition, current levels of public pension income are well beneath what is sufficient to guarantee a basic standard of living, and (similar to Ponzi schemes) contributions made by the current labour force are used to finance payouts to current retirees. There are, as a result, serious concerns about the economic security of future cohorts of Canadian seniors. Hence, Henripin proposes that Canada should adopt a "capitalization model" wherein each generation builds their own pension fund via compulsory contributions (and fund-based interest returns) made throughout their employment careers. This would eliminate the built-in liabilities of the present pay-as-you-go system, and thus ensure that working-age persons would indeed realize their pension contributions as retirement income. Of course, Henripin recognizes the complications involved with setting up a new system while continuing to finance the old system, and he offers potential strategies for overcoming these transitional difficulties.

McDaniel ("The Conundrum of Demographic Aging and Policy Challenges: A Comparative Case Study of Canada, Japan, and Korea") also focuses on the relationship between population aging and aspects of socioeconomic welfare. McDaniel compares Canada, Japan, and Korea — three countries that are at different stages of the population aging process — to develop insights about the relationship between policy-level responses to demographic change and the outcomes of population aging. The actual challenges of population aging are not about demographic change *per se*, McDaniel argues, but are embedded in socioeconomic conditions (such as globalization), and are defined by both sociocultural context and policy priorities. In other words, the implications of population aging are not inevitable outcomes, but are shaped by knowledge about population aging and the local capacities for acting on that knowledge. In this respect, McDaniel demonstrates that policy regimes and sociocultural norms can restrain or otherwise impede capacities for action. For example, she indicates that recognizing the foreign educational credentials represents an important policy-level response for fostering the rapid integration of immigrants into Canadian labour markets and resolving aging-related shortages of skilled labour. Hence, knowledge — whether this exists at the state or familial level — frames the terms of action and, therefore, it is the sociopolitical interactions with population aging that matter for ensuring smooth demographic transitions.

Two of the articles contribute to our understanding of the relationship between immigrant status and Canadian labour market integration. Boyd

and Cao ("Immigrant Language Proficiency, Earnings, and Language Policies") focus on how immigrant language proficiency affects earnings, and Fong and Cao ("Effects of Foreign Education on Immigrant Earnings") consider the relationship between foreign educational credentials and earnings in Canada. The economic integration of immigrants into labour markets is a central concern of Canadian immigration policy, and the so-called "points system" is a merit-based policy that rewards applicants that possess high levels of human capital. This policy was intended to attract skilled labourers and increases their chances of success upon arrival, while limiting the potential welfare burden on Canadian taxpayers. However, the critics of this system point out that it is not responsive to the changing demands within labour markets, nor does it offer potential employers general criteria for comparing foreign educational credentials and training with North American equivalents. As a consequence, numerous immigrants arrive and find themselves un- or underemployed, despite being considered desirable candidates according to the present system of immigrant selection.

Without doubt, host language proficiency is crucial for all immigrants. Boyd and Cao's article demonstrates that English (or French in Québec) language proficiency improves social and economic capital and increases the likelihood of successful economic integration of immigrants. In contrast, there are considerable earning disparities between immigrants with deficient language abilities and other persons, even after controlling for the effects of compositional differences, such as educational attainment, work experience, and occupational status. The relative costs of inadequate language skills are the highest for immigrants in the upper quarter of the income distribution, which implies that limited language abilities generates the highest earning disparities among (presumably) the most educated and otherwise skilled workers. Boyd and Cao caution that recent changes in immigration policy could reduce future numbers of highly skilled immigrants. Moreover, government funding of language training for immigrants typically does not improve labour force specific language proficiency. Although language training initiatives such as LINC and ELT exist, the authors call for improved language programs and additional policy initiatives for immigrants already in Canada and in the labour force, as well as fine-tuning the immigration regulations that determine admission.

Fong and Cao's article examines how foreign education, including country-specific effects and name recognition of foreign universities, contributes to disparities in the earnings of foreign and domestic trained workers. The authors demonstrate that there is a "foreign education discount" and this persists despite name recognition or ranking of foreign universities. That is, it is not simply that employers are devaluing credentials because of

unfamiliarity with foreign universities, but foreign education *per se* contributes to devaluation. This finding suggests that negative perceptions of foreign credentials among Canadian employers are a definite barrier to the smooth economic integration and fair treatment of immigrants. However, this discount is negligible for profession workers, and appears to be largely an issue for workers with nonprofessional credentials. The problem here, then, could be that the intrinsic value of nonprofessional credentials is difficult for employers to appraise, which is unfortunate considering the high demand for skilled nonprofessional labour. Though some immigrants use local social networks to minimize institutional constraints on the intrinsic value of their skills, Fong and Cao present a compelling case for the development of policies and standards for a consistent and fair evaluation of foreign, nonprofessional credentials.

There is considerable policy interest in influencing patterns of immigrant settlement to promote integration, alleviate demographic pressures on Canada's principal host cities (e.g., Toronto and Vancouver), and disperse immigrants according to local needs. As Edmonston argues ("Canadian Provincial Population Growth: Fertility, Migration, and Age Structure Effects"), given Canada's low mortality rates and below replacement fertility, there is a definite need to increase immigration in order to maintain current provincial population levels. Of course, in the short to medium term, an aging population structure implies an imbalance in the dependency ratio, and labour shortages (economic contraction) in the long-term. Edmonston uses a stationary population equivalent (SPE) model to arrive at an accurate computation of the level of immigration Canada requires to maintain a stable population. Edmonston demonstrates that Canada has considerable latitude to increase annual immigration targets, and suggests that about a 13 percent increase current annual immigration inflows is needed in order to prevent a reduction of the Canadian population.

If Canada does not welcome increased net migration, then we are dependent on Canadians having more children to maintain population growth, which is unrealistic given the general preference for smaller families. Moreover, to create an environment conducive to child bearing and rearing, policies supporting families with young children must be enhanced. The latter topic is what Beaujot and Ravanera address in "Family Models for Earning and Caring: Implications for Child Care and for Family Policy." The authors suggest that an enhancement of public child-oriented services is needed to foster improved child-rearing environments and increase the opportunities for couple to have children. To eliminate the costs of children, there is a general demand for public services and benefits that recognize the social benefit of children, and to decrease the gender burden of childcare.

There are particular need-based demands for more parental leave, flexible and reduced hours for women (or primary care-givers) with young children, an expansion of early childhood education, and special provisions for lone parents. This calls for an "investing-in-children" approach, which acknowledges the vital role of fertility to Canada's well-being and develops accommodative policies for earning a living and caring for children (reproducing the population) across the life course.

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