



Remarks

by

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to

**Toronto Region Immigrant
Employment Council**

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Please check against delivery

Thank you Zabeen and good morning everyone.

Before I begin my remarks, I want to take a moment and commend the efforts of a few people.

First, I want to thank David Pecaut of the Toronto City Summit Alliance, who is unquestionably one of Toronto's greatest community leaders.

Secondly, thank you to Dominic D'Alessandro and Diane Bean – our outgoing Chair and Co-chair, and Manulife Financial.

Six years ago, Dominic and Diane stepped up to bring more attention to the necessity of integrating skilled immigrants into our labour market. I join Zabeen in looking forward to building on their work and harnessing the momentum gained so that the GTA community may fully benefit from the rich skills, experiences and perspectives that thousands of skilled immigrants bring to this city every year from all parts of the world.

I also want to thank Ratna, Elizabeth and their team at TRIEC -- as well as the TRIEC Council -- for inviting RBC to take the lead of an issue that is critical to our collective prosperity and the competitiveness of the GTA and Canada.

As a result of TRIEC's efforts under their guidance, thousands of newcomers to Toronto have been able to contribute to our economy by finding employment that is relevant to their skills, their training and their background.

And, finally I want to take a moment and applaud the work of our Chief Human Resources Officer, Zabeen Hirji. Zabeen has demonstrated ongoing leadership and unwavering commitment to the issue of integrating skilled immigrants into our communities. Her involvement with TRIEC since its inception has ensured RBC was at the table contributing to solutions that work for businesses and individuals.

As CEO of a major employer in the GTA and in Canada, I know very well the critical talent and skills that new immigrants bring to our communities as employees and as clients.

If Canada is to maintain and improve its standard of living, we must become the destination of choice for skilled immigrants, scientists, professionals and entrepreneurs. We must also do a better job of leveraging the diversity of our current and future workforce. If we do, we will have an unrivalled advantage. If we don't, we will face an uphill battle just to maintain our current competitiveness.

Declining birthrates are not keeping pace with the demands of growing economies, and, as a result of demographic shifts, immigrants are expected to account for all net Canadian labour force growth by 2011, and for all net population growth by 2031.

Unfortunately, recent immigrants to Canada are having a harder time adjusting than in previous generations. They may be better educated than those born in Canada, but many have not found jobs that match their skill levels, or are earning less than people born in Canada. In 2005, RBC Economics found that if all new Canadians

were fully employed, at their level of education and experience, earning equal pay to someone born in Canada, personal income would increase by \$13 billion a year.

Faced with this huge benefit, our business community is falling short of the challenge and not doing enough to tap the potential of immigrants in our workforce, many of whom are visible minorities. These higher incomes would have obvious multiplier effects in markets for housing and consumer spending, as well as savings and investment – all critical elements today in kick-starting our economy.

This summer, the OECD urged its 30 member countries – including Canada – to improve efforts to help immigrants become better trained and more integrated into the job market. The OECD recognized that immigration to many western countries has declined and the workforce in western countries is aging – both trends that will have implications beyond the current economic environment.

Canada's labour challenges are real and will impede future economic growth if we do not find a coordinated strategy to leverage the skills and talents of people who have come here looking for nothing more than the chance to succeed.

A general labour shortage will become a normal fact of life in Canada's economic environment over the next decade. If nothing changes, in 2026 one in every eight jobs in Canada will go unfilled.

We must do a better job of assessing the skills we need, now and in the future. We must develop the right policies and programs so that we can find the people who have these skills and make sure they choose Canada as their home. Then, we must make sure that we have the programs and environment to help them live up to their full potential.

We need smart social planning to ensure that immigrants are properly welcomed, housed and educated. We need to ensure they are integrated quickly and effectively into our workplaces, marketplaces and economy.

Just from leveraging the talent sitting in our own front yard, we could gain the equivalent of 400,000 more workers in a year. This should be easier for us to do than anyone else, because Canada is already closer to being a model economy when it comes to integrating immigrants. We already have higher economic participation rates and lower unemployment rates for immigrants than many other countries.

But we need more. We need an adequate infrastructure to help both new Canadians and future immigrants maximize their potential. We need language training programs, settlement programs, and mentoring and internship programs that provide Canadian work experience. And we urgently need a system for professions and trades to recognize foreign credentials and certifications in the context of our own laws and regulations.

Unleashing the power of diversity and capitalizing on immigration should be one of Canada's greatest competitive advantages. Canada is already known to be one of the most diverse nations on earth – and for many around the world, this is a central theme to the brand of Canada.

The Greater Toronto Area has an even more acute advantage as perhaps the most cosmopolitan and multi-ethnic city in the world.

So we all have a tremendous amount to gain – and virtually nothing to lose – from nurturing an inclusive society where differences are respected and valued, and where individuals – regardless of their background – are able to contribute to our economy and prosper in their field of expertise.

There is good news, but the headlines remind us there's much to be done by leaders of our businesses, our communities, and our governments.

In 2005, recent-immigrant men earned 63 cents for each dollar earned by Canadian-born men, down from 85 cents in 1980, according to Statistics Canada. And the proportion of highly educated immigrants who have lived in Canada for more than 10 years and work in jobs with low educational requirements is increasing.

By some measures, the situation has deteriorated over the past four years.

Many Canadian companies still say that they overlook immigrants in their human resource planning; they don't hire immigrants at the level at which they were trained; and they have trouble integrating recent immigrants into the workforce.

I'm not denying progress has been made but employers in the GTA, Ontario and across Canada can do more.

The time is now -- to innovate or stagnate. We can no longer talk about what we *can* do tomorrow to integrate skilled immigrants into our economy, but what we *will* do today to tap into the intellectual capital of skilled immigrants and invest in our country's future.

There is still much work to be done, and now, more than ever, we should seize the moment to tap into the valuable international education, skills and talents immigrants bring with them to Canada.

Why? Because Canada's future prosperity will be based on the very skills and creativity found in the diverse perspectives of people who are new to our country.

As chair of the MaRS Discovery District and founding Co-Chair of the Toronto Region Research Alliance, I understand that there is unfulfilled potential in our communities – specifically the GTA – and I am sensitive to the needs of innovative entrepreneurs and leading edge companies who want to fill the gap to succeed.

Innovative minds like those found in the Research and Development department of i³DVR International Inc., which designs, manufactures and supplies digital video technologies for the security industry and is based in Scarborough.

This company's entire R&D team – more than 20 per cent of its entire workforce – are skilled immigrants. The technical skills, experience and fresh thinking of the new Canadians on staff have helped catapult i³DVR's sales from \$500,000 in 1990, to \$16.2 million in 2004 and put the company in 11th place on Profit's annual list of the 100 fastest-growing Canadian companies.

Another company, Nytric Limited, a Toronto-based innovation-consulting and venture technology firm, is already ahead of the curve. With input from their skilled immigrant employees, Nytric tweaks products to better reflect diverse cultures to increase marketing appeal both domestically and internationally. Employees fluent in different languages help the company negotiate with overseas suppliers and manufacturers abroad. This company generates annual revenue of approximately \$4 million. Ninety per cent of their products are exported.

In its engineering department, the ratio of immigrants to Canadian-born employees is two to one. Immigrants also hold executive positions: its President and Chief Technology Officer was born in India, its Director of Product Development is from Taiwan; and its Director of Business Development, Anthony Gussin, is from the U.K.

Anthony's description of the company's hiring strategy embodies the very spirit of why we're all here today. Simply put, Anthony says: "From our perspective, Canadian experience is irrelevant -- if someone is a good engineer, he's a good engineer. It doesn't matter where he came from".

Some of you may have found these examples familiar because all of these companies are recipients of TRIEC's Immigrant Success Awards, which were launched in 2006 and sponsored by RBC.

These are great examples and promising anecdotes, but our country will be better when they are no longer the exception to the rule.

As noted by Richard Florida of the Martin Prosperity Institute, this is exactly the time to seek out global markets and benefit from global competition. Now is the opportunity for Canada to gain competitive advantage by becoming an even more open economy and society, as other countries risk being protectionist toward imported goods and services and immigration.

At a time when the U.S. economy, in particular, remains weak, we need to expand our trade and cultural relationship even more. Newcomers to Canada bring skills, including language and cultural skills, knowledge and networks that can help us to reach out to emerging economic giants like China and India, as well as emerging immigrant markets here at home.

It's clear is that there is no magic solution. With the end of the recession in sight, Canada's employers, TRIEC, community organizations, and our policymakers need to come together to continue to develop long-term talent strategies aimed at enabling Canada's skilled immigrant workforce help local economies grow, compete and prosper.

Employers need to be recovery-ready. And forward-looking companies are taking action now.

This isn't just RBC's position, but a call to action articulated by business and civic leaders and think tanks locally, nationally and globally. Skilled immigrants can and want to do more to help their families succeed and contribute to our collective success of this great country. It's up to all employers to seize that opportunity.

We need innovative government policies, an engaged business sector and organizations like TRIEC to do their part -- and to start today.

This morning, the journey continues with enthusiasm and a greater sense of urgency.

Just before this meeting, Zabeen, Ratna and I hosted a breakfast for business leaders who are working with ALLIES – an acronym that stands for Assisting Local Leaders with Immigrant Employment Strategies.

This is a joint initiative of the Maytree and the JW McConnell Family Foundations that provides funding, technical assistance, information and networks to Canadian cities so they can adapt and implement effective and successful ideas to integrate skilled immigrants into the local labour market.

I mention this only to highlight that there are excellent resources available for companies and communities that want to do a better job of integrating skilled immigrants. I am proud of RBC's accomplishments but they couldn't have happened in a vacuum.

Our breakfast discussion was interesting, educational and productive. To the business leaders that took part this morning, I want to say that I look forward to hearing about the progress of your initiatives in your cities. I want to note that RBC's leadership team from across the country was also at this morning's breakfast and I urge you to engage them in your communities as they can be a helpful resource and collaborator.

It is an honour for me to join with all the TRIEC members today and to help lead them in identifying and developing fresh new ideas that will take this city from doing a better job on integrating skilled immigrants to a city that fully realizes and leverages the skills of our immigrants.

Thank you again for taking the time to be here today and for your passion around this important issue.