

CALGARY'S NEWCOMERS AS ECONOMIC DRIVERS

New Canadians play an increasingly important role in Calgary's economy. They are employees and employers, consumers, curators of international experiences, connectors to significant emerging markets and as community builders. February 2020

phone: (403) 221-7831

toll free: 1-888-222-5855

fax: (403) 221-7828

Written by: Hubba Khatoon – Economist, Research & Strategy Jason Ribeiro – Director of Strategy, Research & Strategy Calgary Economic Development



BECOMING CANADA'S DESTINATION FOR TALENT

Getting Calgarians working is a critical and important priority for Calgary Economic Development as we advance our community's economic strategy, *Calgary in the New Economy*.¹

The framework for *Calgary in the New Economy* starts with an aspirational vision that establishes Calgary as a leader in talent, innovation, place and business environment – qualities that make Calgary a great place to live, study, work, visit and do business.

Success will depend on our ability to both embrace the adoption of advanced technologies and welcome an inclusive and flexible approach to transitioning, developing, and attracting talent. In a fast-changing world, talent is the key to unlocking long-term economic growth. Being Canada's leading destination for talent is critical to Calgary building a robust pipeline of human capital for continued economic prosperity.

In 2019 and 2020 there were more than 2,000 open technology jobs in Calgary even though the city is producing world-class STEM (Science, Technology, Engineering and Math) talent, Calgary faces a substantial skills gap in attempting to meet industry needs. We know that as we aid Calgarians in transitioning to new job opportunities, we will also need to bolster our efforts to recruit skilled workers from abroad. Immigration policies in other countries are creating opportunities for Calgary, Alberta, and Canada to attract diverse workers and their families from across the globe.

In 2019 Calgary Economic Development consulted with International Data Corporation (IDC) Canada, which found Calgary-based companies will lead an estimated \$18.4 billion in spending on digital transformation across Alberta by 2022.² By 2023, it is expected Alberta will require 77,000 software developers. This is generating significant demand for tech talent. The professional, economic, social and cultural inclusion of new and ethnocultural Canadians in Calgary's growing digital economy will be a key element in advancing *Calgary in the New Economy*.

¹ Economic Strategy for Calgary – Calgary in the New Economy

² Source: Calgary Economic Development analysis with International Data Corporation, 2019.



THE FACE OF OUR WORKFORCE IS CHANGING

After years of robust population growth and a steady influx of newcomers, Calgary is now Canada's third most ethnically diverse city.

Between 2018 and 2019, total population growth in the Calgary Census Metropolitan Area was 30,740; 10,307 new residents from a natural increase (more births than deaths) and 20,433 from net in-migration (more people moving here than moving away).³

Calgary's migration rate was 13.5 migrants per capita in 2018/2019. These changing demographics have an impact on business practices and economic growth in the city. With Calgary's in-migration ratio greater than the natural ratio, the significance of community building and economic support that newcomers bring is now more critical in bolstering the social fabric of Calgary's economy.

Newcomers play an increasingly important role in Calgary's economy. They are employees and employers, consumers, curators of international experiences, connectors to significant emerging markets and community builders. They provide a collision of cultures, economies and perspectives. Whether it is in the corporate world or entrepreneurial life, they come together to contribute.

Newcomers come to Canada to establish a new life. They come with hopes and dreams, qualities and experiences, a feeling of openness, adaptability, positive attitude towards learning and eagerness to contribute to the labor market. They not only bring culture to Calgary's growing multicultural mix but provide a stable workforce for employers.

Embracing the diverse backgrounds of newcomers and a shared commitment to social procurement ensures a prosperous future for all Calgarians. With several associations in Calgary and Alberta offering language programs, credential recognition services, networking events, and employment services, much of the risk that businesses associate with hiring newcomers is reduced.

To become the most livable city in Canada, Calgary Economic Development continues to work with stakeholders to build on livability assets that reflect diversity throughout the city. We EXPECT that economic growth, driven by new Canadian employment in Calgary, will continue and advance the ability of employers to recruit and retain talented individuals of all backgrounds.

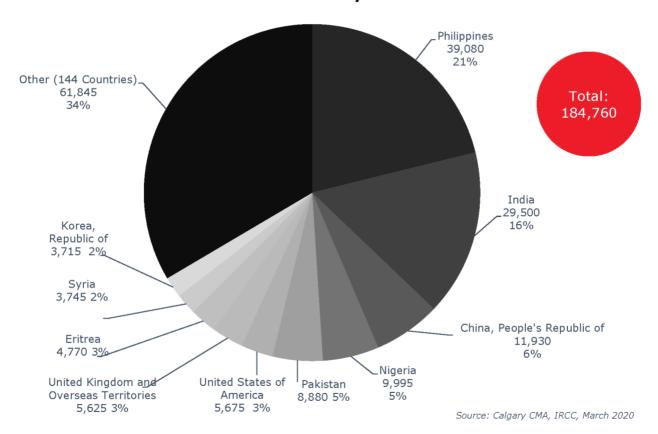
³ Source: Statistics Canada – As of July 1st for the end of the reporting period, updated February 13, 2020.



DIVERSITY AND INCLUSION IN CALGARY IS GROWING

Calgary welcomed 18,945 permanent residents in 2018. New immigrants arrived from more than 150 countries to Calgary within the previous decade.⁴ The chart below shows top source countries of Calgary's permanent residents between 2010 and 2019.

Top Source Countries for Permanent Residents, 2010 to 2019



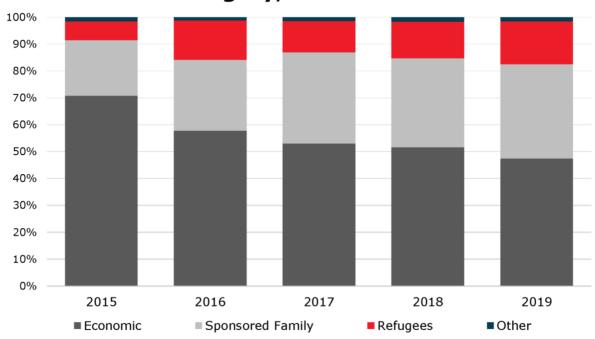
⁴ Source: IIRC, 2010-2019



NEWCOMERS ARE MORE LIKELY TO HAVE A UNIVERSITY EDUCATION

Effective immigration policies bring in newcomers who are qualified, healthy and fit to contribute to the Canadian economy. Statistics Canada reports approximately 128,000 newcomers moved to Calgary over the last five years, the majority of whom were admitted to Canada as economic immigrants - persons selected for their skills and abilities to contribute to Canada's economy. The chart below displays a significant share of economic immigrants amongst total permanent immigrants to Calgary between 2015 and 2019. Federal Census 2016 reports that 45.2 per cent of immigrants between the ages of 25 and 64 have a bachelor's degree or higher.

New Permanent Residents by Category, 2015-2019



Source: Immigration, Refugees and Citizenship Canada, "Table: Admissions of permanent resident by province/territory of intended destination and immigration category;" "Admissions of Permanent Residents by Province/Territory and Census Metropolitan Area (CMA) of Intended Destination," 2020.

⁵ Compiled by Robert Falconer - Immigration and Refugees Policy, School of Public Policy, University of Calgary, 2020; Source: Immigration, Refugees and Citizenship Canada, "Table: Admissions of permanent resident by province/territory of intended destination and immigration category;" "Admissions of Permanent Residents by Province/Territory and Census Metropolitan Area (CMA) of Intended Destination," 2020.



NEWCOMERS INCREASE THE SIZE OF THE ECONOMIC PIE

With the third largest working age immigrant labour force of the top 15 cities in Canada, Calgary has organically developed into a place where newcomers can thrive culturally and economically. With knowledge, capability, linguistic skills and personal connections, newcomers are swiftly filling talent gaps in high-growth sectors.

A 2017 report by the Conference Board of Canada on newcomer integration and economic growth revealed that an increase of 450,000 newcomers per year in Canada would result in a 2.05 per cent increase in real GDP, with immigration contributing to nearly one-third of economic growth.⁷

HELPING NEWCOMERS UNLOCK THEIR POTENTIAL

The case is clear and growing; in the information age, diversity is a strength. Whether you have a local customer base, or you are operating your business globally, hiring skilled immigrants puts your organization in a position to:

- Understand a diverse customer base;
- Tap into growing local and international markets;
- Expand business opportunities through improved cultural awareness and connections;
- Strengthen relationships with existing customers and suppliers;
- Improve corporate culture by enhancing creativity, productivity, and decision-making;
- Attract and retain top talent.

Many Calgary firms are committed to engaging with newcomers and their talents as both a moral and business imperative. By hiring newcomers, organizations gain employees with great diversity in their education, training, on-the-job skills and life experiences. This diversity brings innovation, fresh perspectives and creativity to existing business practices.

DIVERSITY DRIVES INNOVATION

Companies with ethnically diverse workforces display at least 35 per cent greater financial returns⁸ and are 158 per cent more likely to understand and innovate to serve a diverse client base. Calgary has an impressive group of new Canadians from across the world, with international experience and knowledge about global business practices. Integrating that knowledge in the workplace helps employers to access new markets, build new professional relations around the globe, and support Calgary's growing innovative ecosystem.

⁶ Source: The Canadian Immigrant Labour Market: Recent Trends from 2006 to 2017, Statistics Canada, December 14, 2018.

⁷ Source: Conference Board of Canada: 450,000 Immigrants Annually? Integration is Imperative to Growth

⁸ Source: McKinsey and Company, Why Diversity Matters, 2015.



DIVERSITY DEVELOPS PERSPECTIVE

With diverse experiences and distinct mindsets, newcomers bring a unique decision-making perspective to businesses. Ethnically diverse companies cultivate an increased knowledge of international business practices, trade and investment opportunities and connections to established and emerging global markets. Research shows that when compared to the industry average, ethnically diverse companies have a substantially greater ability to build relationships around the world. Diverse companies are also 45 per cent more likely to expand market share and 70 per cent more likely to capture a new market.⁹

DIVERSITY SPARKS CREATIVITY

The addition of new languages and cultures to a firm sparks a more creative organizational operating environment. A survey for Stanford University's Graduate School of Business suggested, the fusion resulting from building diverse teams in a workplace provides the edge needed to spur creativity and boost a company's profile. On average, there is an 80 per cent improvement in business performance when levels of diversity and inclusion are high.¹⁰

⁹ Source: McKinsey and Company, Why Diversity Matters, 2015.

¹⁰ Source: Deloitte, Diversity and inclusion: The reality gap.



BEST PRACTICES FOR ESTABLISHING A DIVERSE WORKFORCE

Calgary's business community is at the heart of the newcomer experience. Calgary has important levers at its disposal to make a positive difference in attracting, integrating and retaining a diverse talent base. Below are diversity recruitment tips for employers:

- Emphasize skills and competencies rather than relevant market experience when hiring talent. Styles of resumes and application letters differ across countries, it is essential to look at a person's qualifications rather than the style of resume.
- Participate in career fairs and networking events that encourage newcomer recruitment for your organization to gain first-hand experience of what newcomers can offer. Some networking events are hosted by support agencies that provide initial job skills preparation and act as corporate liaisons in transitioning newcomers into the workplace.
- Encourage placements of intern students who are members of diverse groups. Utilize
 programs and services offered by academia, non-profit agencies and all orders of
 government that provide financial support to bridge the gap between academia and
 the workplace.
- Establish formal relationships with secondary and post-secondary institutions that have a culturally diverse student body to ensure continuous cultivation of talent that meets future demands.
- Communicate the value in hiring newcomers to all levels of management so they understand and can give a fair evaluation during the hiring process.
- Ensure interview panels are culturally diverse to minimize potential bias.
- Expand stakeholder collaboration and networking channels to a strong, diverse and informal network is a critical part of successful diversity recruitment efforts.
- Provide volunteer opportunities that allow newcomers to gain relevant work experience and provides employers the opportunity to recognize up-and-coming talent.



SUPPORT FOR COMPANIES IN BUILDING A DIVERSE WORKFORCE

Through intercultural competency training for employers and connector programs, there are support services in Calgary assist companies in hiring culturally diverse workforces and helping newcomers explore career and training options. They offer programs and services that include diversity training, educating employers and communities on the value of immigrant talent, connecting employers to internationally trained professionals, supporting mentoring and internship opportunities, delivering volunteer opportunities, supporting job development and aiding in mandatory valid work permits.

Examples of programs available:

Alberta Government Employment Services: Incentives exist to help companies hire new workers. If you are interested in hiring a new Canadian and would like to know which incentives you are eligible for, visit <u>Employment Services Alberta</u>.

Apprenticeship Job Creation Tax Credit: The federal tax credit is a non-refundable credit for corporations and unincorporated businesses employing apprentices in certain skilled trades.

Details can be found at Apprentices <u>Job Creation Tax Credit</u>.

Diversity Focused Staffing Firms: Staffing firms such as <u>Bowen Group</u> in Calgary connect employers to a diverse and inclusive workforce. This supports better staff retention, greater understanding of different markets, and secured employment solutions for employers and newcomers.

World Education Services Canada: The agency helps employers identify top job candidates by verifying the authenticity and Canadian equivalency of foreign credentials. Details can be found at <u>World Education Services Canada</u>.



SUPPORT FOR NEWCOMERS IN MULTICULTURAL SETTLEMENT SERVICES

City of Calgary: The diversity of culture and community has helped create Calgary's identity. The City of Calgary provides several services to help newcomers settle as quickly and successfully as possible.

Calgary Local Immigration Partnership: The Partnership aims to create a welcoming and inclusive community for immigrants and newcomers. It works across sectors, organizations, and service systems to improve local capacity to welcome and support newcomers. The Partnership has a list of service providers dedicated to supporting newcomers through their settlement and integration into Canadian life. These organizations provide programs and services that include core settlement, language proficiency and literacy training, employment support and connections, and community building. Below is a list of support organizations:

- 1000 Voices and Genesis Centre
- Action Dignity
- Aspen Family and Community Network Society
- Bow Valley College
- Calgary Bridge Foundation for Youth (CBFY)
- Calgary Catholic Immigration Society (CCIS)
- Calgary Chinese Community Service Association (CCCSA)
- Calgary Immigrant Women's Association (CIWA)
- Calgary Public Library
- Calgary Region Immigrant Employment Council (CRIEC)
- Centre Accueil Nouveaux Arrivants Francophones (CANAF)
- Centre for Newcomers (CFN)
- Equilibrium International Education Institute (EEI)
- Immigrant Services Calgary (ISC)
- Jewish Family Services Calgary (JFSC)
- Making Changes Association
- Sunrise Community Link Resource Center
- The Immigrant Education Society (TIES)
- The Women's Centre