

DIASPORA NATION

An Inquiry into the Economic Potential
of Diaspora Networks in Canada

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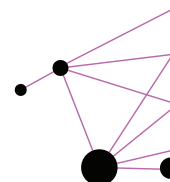
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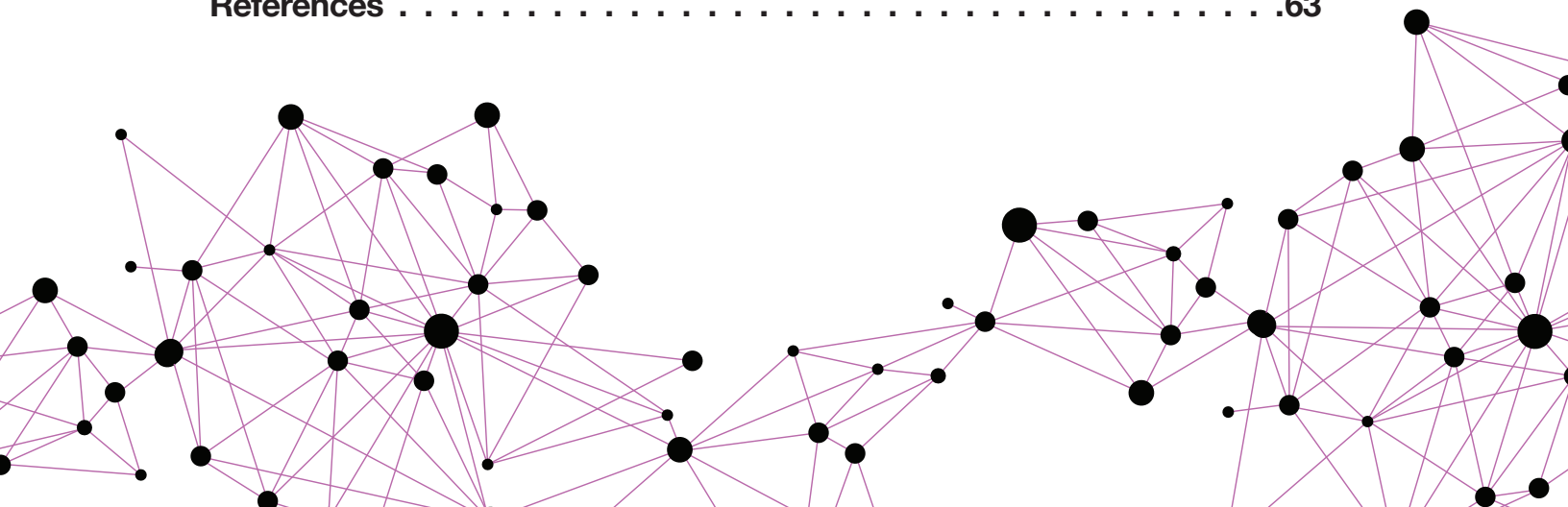
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Director's Letter

As Canadians we take pride in our diversity. We happily think of ourselves as a country of immigrants.

By just about any comparative measure, immigrants to Canada have done well and their children have achieved economic success. Most immigrant communities can report relatively successful economic and social participation in Canada.

Our collective understanding and definition of the country have been shaped by waves of immigration. Most Canadians cannot imagine a Canadian identity not characterized by diversity.

But the ground has shifted beneath us in two important and related ways. First, immigrants to Canada are experiencing poorer economic outcomes than previous generations. And secondly, the global economy is undergoing a re-balancing, with the rise of emerging economies and new structural economic challenges in OECD countries, including Canada.

Much of this is well-known. What is less obvious is that the mental maps we use to understand immigration also need to change.

Diaspora networks—that is, international communities of shared identity—are changing the way we should conceptualize immigration. Canadians have unprecedented depths of connection with every corner of the world. Canada has become a diaspora nation.

Diaspora networks are playing a larger role in the global economy. Recognizing and acting on this trend should be part of a thoughtful policy response to the shifts in the global economy and immigrants' declining economic outcomes. The recommendations flowing from this report outline some plausible responses.

Canada is particularly well-placed to benefit from the growing importance of diaspora networks. Given Canada's successful history with diversity and accommodation, the country—and Ontario and the Greater Toronto Region in particular, given their high concentration of immigrants—should be leading discussions on how to respond to these changes.

I am proud to release *Diaspora Nation*, which is the product of a year-long process of interviews and research that integrates the perspectives of researchers, stakeholders, and governments. I hope the publication triggers a conversation on how Canada can better reflect the changing nature of immigration and global trade into our policy frameworks.



Matthew Mendelsohn
Director, Mowat Centre

Executive Summary

Over a fifth of Canada's population are immigrants, the largest proportion in the OECD. Yet, Canada's economic activity does not reflect this diversity. While much of our immigration growth is from countries with emerging economies, only China and Brazil are present in Canada's top 10 export destinations; the remaining 8 top trading partners are OECD countries.

It is a missed opportunity—for Canada as a whole and for immigrants themselves.

In this study, we examine this issue and the related matter of stagnating economic outcomes among recent immigrants to Canada by reconceptualizing our immigrant communities as diaspora networks.

In today's highly-interconnected global society, immigrant communities act as diaspora networks—international networks of shared identity—which, because of their multicultural and multilingual capabilities, can play a larger role in the global economy. We conclude that diaspora networks are a dynamic and increasingly valuable but relatively untapped resource in Canada and that their effective mobilization would bring significant economic and social benefits to the country.

This study presents an examination of the relationship between diaspora networks and the economy in three main areas: international trade; knowledge transfer and the circulation of ideas, especially as it applies to innovation and entrepreneurship; and the economic participation of new immigrants.

In each of these areas we research how diaspora networks contribute to the economy. Through in-depth interviews with bilateral and ethno-cultural chambers of commerce, Professional Immigration Networks (PINs) and professional associations, education and research groups, employee resource groups, and exporting firms, we identify barriers to fuller participation in the economy and outline recommendations for better outcomes.

While the challenges and opportunities presented by the rise of diaspora networks apply across Canada, our study focuses on Ontario—the province with the highest concentration of immigrants and home to Canada's largest global city region. Ontario is both a case study and the leading indicator of the issues and opportunities that are emerging across Canada.

The reconceptualization put forward in this study requires us to modify the mental maps we use to understand immigration. The character of immigration has changed over the past three decades. Some of these changes include:

- One-way migration flows to multi-directional flows
- Movement of people and goods to movement of people, goods, knowledge, and investment
- “Brain drain” or “brain gain” to “brain circulation”
- Immigrant communities to diaspora networks
- “Canadian experience” to “international experience”

These changes argue for changing our policy development approach from a collection of ad hoc policies to a consistent front-of-mind “diaspora lens” in the formulation of economic and social policy.

Recommendations

To enable diaspora networks to play a larger role in international trade:

- Create a mechanism or network through which ethno-cultural chambers of commerce can connect with each other and with local chambers of commerce such as the Ontario Chamber of Commerce and the Toronto Board of Trade, in order to learn from each other and to share best practices.
- Create a mechanism through which ethno-cultural chambers of commerce can access administrative support, perhaps through partnerships with institutional chambers and organizations, to provide support for groups interested in international trade.
- Encourage ethno-cultural chambers of commerce to secure alternative sources of funding, such as corporate sponsorships, to complement income from memberships.
- Encourage increased participation of chambers of commerce and immigrant networks in incoming and outgoing trade missions.
- Encourage firms to value the diversity of their staff and leverage their technical and cultural competencies when expanding to new markets.

- Reduce transaction costs for export deals under \$1 million.
- Reduce wait times for business visas or allow their application without the retention of passports.

To enable diaspora networks to play a larger role in knowledge transfer:

- Provide a mechanism to coordinate existing organizations with similar objectives and to promote a focus on knowledge transfer and innovation, such as a central hub or network. The Toronto Region Immigrant Employment Council (TRIEC) strategy of connecting people may be a good model to follow.
- Enhance opportunities for “brain circulation” through increasing the ease of foreign students’ participation in Canada’s universities and colleges, and Canadian students’ participation in foreign institutions.
- Simplify pathways to permanent residence for international student graduates of Canadian colleges and universities.
- Encourage Canadian organizations and institutions to develop research and expertise relevant to the needs of new and emerging economies.

To enable diaspora networks to play a larger role in the full economic participation of newcomers to Canada:

- Provide a coordinating mechanism (or enhance an existing one, such as TRIEC) so that diaspora networks can exchange ideas, learn from each other, and improve their outcomes.
- Encourage professional associations to congregate around internationally recognized certifications such as the Project Management Certification (PMC) or MBA, as the Latin Project Management Networks (LPMN) and the Latin American MBA Alumni Network (LAMBA) have done. This would facilitate the entry of skilled immigrants into the Canadian job market.
- Encourage Professional Immigration Networks (PINs) and professional associations to establish ongoing links with corresponding professional regulatory bodies.
- Encourage firms to value international experience as a source of expertise.

Additional recommendations that emerged during our interviews that speak to Canada's broader policy frameworks include:

- When abroad, Canadian leaders should engage with the overseas Canadian diaspora (Canadians abroad)¹. This will strengthen Canada's linkages with other countries by keeping overseas Canadians connected and involved with Canada, while providing Canadian leaders with access to important insights into other countries. This could include more formal engagement with Canadians abroad, many of whom have multiple national identities, move back and forth across borders and are members of diaspora networks.
- Ensure that any legislation designed to curb exploitative immigration consultants, such as the 2011 *An Act to Amend the Immigration and Refugee Protection Act* (formerly known as Bill C-35), does not curtail the efforts of university and college advisors—and sometimes employers—to help international students and employees understand Canadian immigration rules and settle permanently in Canada.
- Encourage immigrants' fuller participation in politics through actions such as allowing permanent residents municipal voting rights.² Such a measure would hasten immigrants' inclusion and participation in Canada's political processes and economy.
- Other than where this raises security concerns, modernize rules on philanthropy to encourage global giving.³ Strengthening the infrastructure around cross-border charitable donations would make it easier for groups and people to connect with their diaspora communities, further strengthening ties and maintaining networks.
- Other than where this raises security concerns, improve regulations for remittances to allow immigrants to transfer funds more efficiently and with less overhead.⁴
- Examine rules around internships and volunteerism to ensure that global opportunities are available to Canadians and are not inadvertently discouraged due to organizational regulations

- Ensure smaller manufacturing firms have a better chance to participate in foreign markets by developing an appropriate export credit insurance policy that would provide protection against non-payments by clients, minimize risk, and increase working capital. A strategic partnership between Export Development Canada (EDC) and Canadian Manufacturers and Exporters (CME) is currently exploring options to facilitate exports by small manufacturers.
- Take advantage of opportunities such as the Pan American/Parapan American Games to be held in Toronto in 2015 and the 150th anniversary of Confederation in 2017 as rallying events to roll out new policies related to diaspora networks.

This study reconceptualizes the role of immigrant communities in the Canadian economy and identifies ways to support their fuller participation in the Canadian economy. To achieve these goals, actors across the public, private, and not-for-profit sectors should redouble efforts to connect diaspora networks with each other and with established organizations in Canada, which should help to achieve better economic outcomes for immigrants and for Canada as a whole.



Canada's rank in the world in number of immigrants

University educated immigrants have employment rates **4 to 25% lower** than their Canadian-born counterparts.

1 in 5 Canadians



was born in another country.



The unemployment rate of recent immigrants is

almost double

that of the Canadian-born population.

Canada ranks **8th** in the world as preferred destination for international students.



University educated immigrants earn **5 to 33% less** than their Canadian-born counterparts.



Immigrant communities in Canada have more than **100,000 people.**



1 Canada: A Diaspora Nation?

The term diaspora is used in several different ways beyond its historical meaning, and its definition continues to change. Within the context of this study, we use the term diaspora networks to emphasize the linkages maintained between people who, despite diverse geographical distribution, comprise transnational communities connected by a sense of shared identity. The nature of this shared identity is variable, but stems mainly from a common homeland or place of ethnic, linguistic, or national origin. These networks are comprised of individuals who actively choose to be a part of this community, differentiating the diaspora from the catch-all term immigrant, and may also include generations far removed from the original immigrant group.

The current ease of global transportation and communication has helped transform immigrant communities around the world into transnational networks. Rapid advances in communication technology allow constant communication and flows of information while the increased affordability of travel facilitates two-way flows of people between multiple destinations. With close ties to their countries of origin, tight internal connections, and links with similar communities in other countries, these “diaspora networks” are increasingly important economic forces⁵.

As a country with one of the highest number of immigrants in the world, in both absolute and relative terms, and as the preferred destination of many diasporas, Canada can be reasonably thought of as a “Diaspora Nation”:

- 1 in 5 Canadians was born in another country
- Canada ranks 5th in the world in number of immigrants
- 18 immigrant communities in Canada have more than 100,000 people
- 20 foreign languages are spoken by more than 100,000 people in Canada
- Canada ranks 8th in the world as a preferred destination for international students⁶

We define and understand ourselves as a nation of immigrants. We celebrate the multiculturalism of our cities and value the peaceful coexistence of our communities. But we can do much better in designing policies that are more conducive to the flourishing of our immigrant communities.

- The unemployment rate of recent immigrants is almost double that of the Canadian-born population

- University-educated immigrants have employment rates 4 to 25 per cent lower than their Canadian-born counterparts
- University-educated immigrants earn 5 to 33 per cent less than their Canadian-born counterparts
- The percentage of immigrants in the Professional category has fallen by one third over the last decade⁷

In addition to equity and good social policy arguments, creating a policy framework conducive to the successful economic and social participation of immigrant communities makes economic sense.

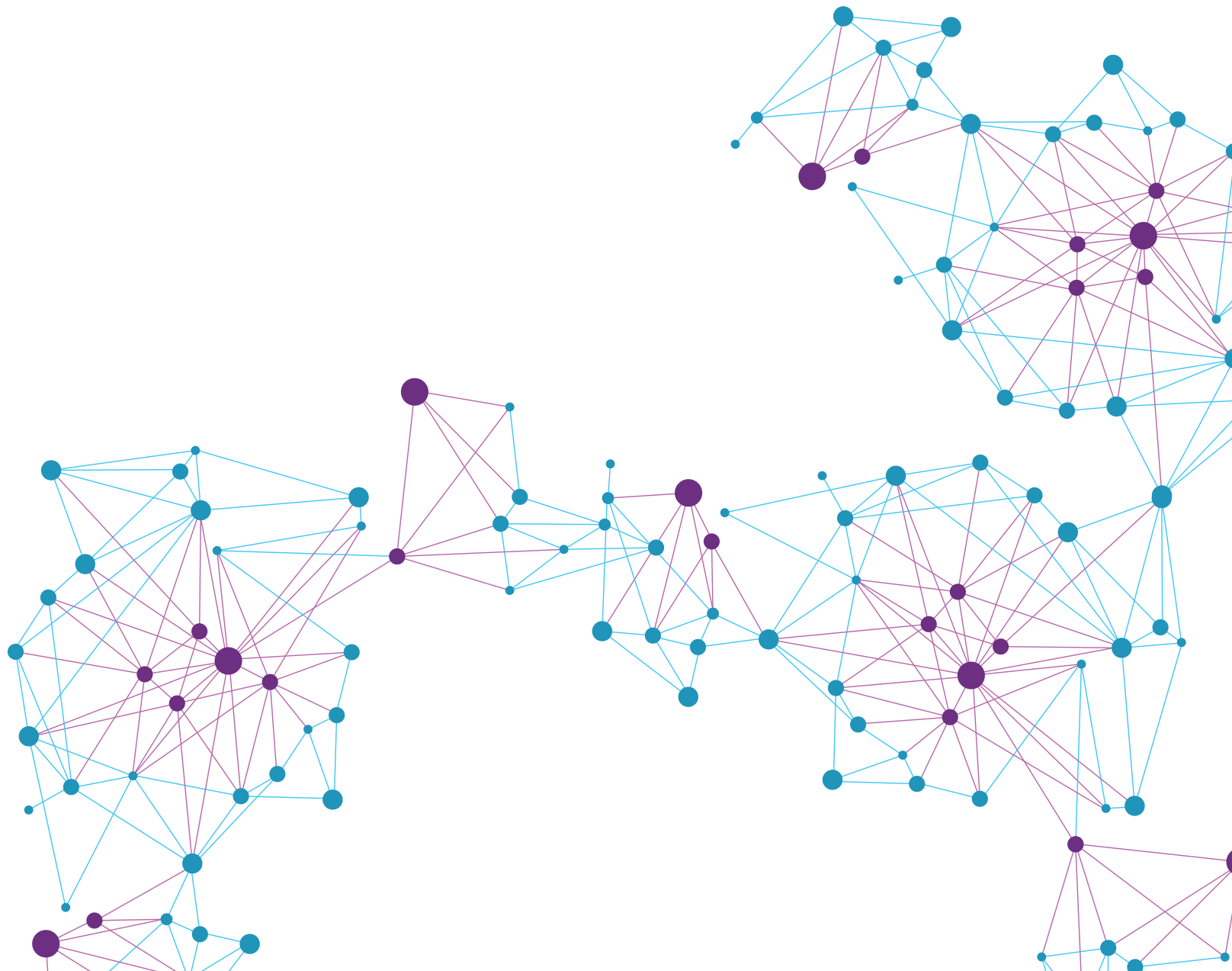
An updated policy framework would acknowledge the significant changes to the global context in which immigration takes place. This changed context includes:

- The growth of two-way and multi-way flows of people, rather than one-way flows largely from the developing world to North America, Europe and Australia. This implies looking at immigration in terms of the benefits for all countries.
- The global economy is undergoing a rebalancing, with the rise of emerging economies and structural economic challenges in OECD countries, including Canada.
- The flow of information and ideas across borders has become more important to economic growth and prosperity.
- Technology and communication allow immigrants to remain more connected to their country of origin than ever before.
- The pace of globalization—including the flow of people, goods, capital, information and ideas—has increased dramatically, connecting outcomes in one country with those in others.

Taken together, these five contextual changes have transformed what were immigrant communities into diaspora networks—that is, international networks of shared identity.

Because of their multicultural and multilingual capabilities, immigrants can play a larger role in the global economy. This can have positive, multiplying benefits in both countries of origin and settlement. These changes also mean that the mental maps we use to understand immigration should be revisited.

This report examines how diasporas relate to the Ontario economy and to each other, what existing policies may hinder the broader participation of immigrants in the economy, and what new policies or approaches may facilitate the realization of their potential.





2 Immigration and The Economy

The relationship between immigration and the economy is complex and rapidly evolving. Traditionally, studies have focused on the effects of immigration on the local economy in the country of settlement. With multi-directional transnational migrations becoming more prevalent, it is necessary to take into account the effects on both countries of origin and countries of settlement.

Economic Activity in Countries of Settlement

The economic contribution of immigrants to their countries of settlement is well documented.⁸

International trade and investment

Several studies point to a positive correlation between bilateral trade and migration. “For every 1 per cent increase in the number of first-generation immigrants from a given country, for example, California’s exports to that country go up nearly 0.5 per cent”.⁹ There is a similar correlation in investment: a 1 per cent increase in skilled migrants led to an increase of inward-foreign direct investment (FDI) by 0.8 to 1.8 per cent in France and Germany, and more than 2.5 per cent in the United Kingdom. Outward-FDI increased as well, but not by as much.¹⁰

A similar correlation between trade and migration has been found in Canada, although not as robustly as in California. One study found that a 10 per cent increase in immigrants leads to a 1 per cent increase in exports and a 3 per cent increase in imports. This correlation was found to be highest between immigration from, and trade with, East Asia.¹¹

Research published by the Conference Board of Canada also found a correlation between investment and immigration, but was uncertain about the direction of the causation (i.e., whether the immigrants follow the FDI to Canada, or the FDI follows immigrants). While the intensity of the relationship remains uncertain, there is a direct and positive correlation between immigration and investment.¹²

Innovation and entrepreneurship

Recent studies of start-ups and Fortune 500 companies in the United States show that they are disproportionately started by immigrants. One of every four engineering and technology firms started between 1995 and 2005 in the United States had an immigrant founder, although immigrants constitute only one eighth

of the American population.¹³ A recent report on the American economy points out that more than 40 per cent of Fortune 500 companies were founded by immigrants or their children.¹⁴ In Canada, notable large companies like Barrick Gold, Research in Motion, and Magna International were founded by immigrants. These findings confirm anecdotal evidence that immigrants tend to be a dynamic force in the economy, often as innovators and entrepreneurs.

A study on international innovation linkages shows that Chinese transnational entrepreneurs in Canada tend to involve Canadians in their business activities.¹⁵ These linkages have the potential to benefit Canada in a number of ways, including providing access to original research, talent pools, and knowledge networks that stimulate innovation and further collaboration.

Economic Contribution to Countries of Origin

Immigrant communities have traditionally contributed to the economy of their home countries through remittances and philanthropy, both of which can represent large contributions to the GDP of these countries.

Remittances

Remittances are “primarily financial transfers from Diasporas to relatives in their communities of origin ... Collective remittances are funds sent by organized Diaspora groups to support community projects. Non-financial remittances include transfers of ideas, knowledge, skills, business opportunities, culture and also may include factors associated with health and crime issues.”¹⁶ In 2010-2011, remittances from Canada totalled USD\$14.7 billion.¹⁷

Remittances from emigrants have become a significant source of income for a number of economies. Remittances to Mexico and the Philippines from their extensive diasporas, for example, are important sources of national revenue.¹⁸ These injections of private capital and investment are seen as contributing heavily to development in home countries.

At least a quarter to a third of all immigrants to Canada remit, and those from countries with the lowest GDP have the highest incidence of remitting.¹⁹ The probability of remitting was highest among immigrants from Southeast Asia and the Caribbean. The immigrant communities in Canada that make the largest volumes of remittances are India, China, and the Philippines.²⁰

The effects of remittances on home country development have been well studied. Remittance flows affect the economic and financial systems of countries. For many they are a source of national income. At a household level, remittances can raise families out of poverty and help build financial assets. The resulting impact of this on the economy in general entails developments in the financial services sector, and further effects include a more competitive financial system, as well as increased capital for investment.

Philanthropy

As immigrants and their communities settle into their destination countries and achieve stability and financial security, they increasingly participate in charity, both locally and overseas.²¹

Transnational financial gifts, like remittances, are commonly made by immigrants and children of immigrants who maintain ties to their countries of origin. Because of the large foreign-born population in Canada, remittances translate into meaningful cross-border connections and significant capital transfers.

CIDA estimates that civil society organizations raise about \$700 million annually for overseas development activities,²² and the 2007 Canada Survey of Giving, Volunteering, and Participating (CSGVP) notes that immigrants contributed almost 20 per cent of the total value of all donations in Canada.²³ Aside from these studies, information about transnational giving and diaspora philanthropy from Canada's immigrant communities is insubstantial.

While charitable donations have traditionally been directed to aid and relief efforts, voluntary giving and financial donations have undergone a strategic shift in recent years. It is now much more common for these activities to focus on social change, policy, and traditional philanthropic efforts that resemble those undertaken in Canada.²⁴

Immigrants tend to be a dynamic force in the economy, often as innovators and entrepreneurs.

The rise of international giving signals a connection of immigrant communities in Canada to the larger global community. The strengthening of global ties has been aided by technology, with tools like the Internet and cell phones making cross-border money transfers easier.

This Study

The underlying assumption of this study is that diaspora networks are a dynamic and increasingly valuable, but relatively untapped, resource in Canada and that their effective mobilization would bring significant economic and social benefits. While we would expect this to be the case across Canada, this preliminary inquiry is limited to Ontario for practical reasons.

The study explores the contribution diaspora networks make to the Ontario economy, the barriers to their full participation in the economy, and the policy or program changes that could help realize the economic potential of diaspora networks.

Based on literature review, our interviews, and advice from our panel, we organized our findings into three aspects, or themes, of economic activity:

1. international trade;
2. knowledge transfer and the circulation of ideas, especially as it applies to innovation and entrepreneurship; and
3. the economic participation of new immigrants.

These three aspects provide a framework through which the potential impact of diaspora networks' economic activities can be examined.

1. How can diaspora networks play a larger role in international trade?

It is hard to exaggerate the importance of international trade to the Canadian economy. With a trade intensity²⁵ of 62 per cent, compared with the United States at only 32 per cent in 2011,²⁶ Canada is among the top ten trading nations in the world (excluding intra-EU trade). On a per capita basis, Canada's exports are second only to Germany in the G20 group of nations.

The great majority of Canada's international trade, however, is with the United States, not with the fast growing developing economies. Canada's top ten trading partners are mostly OECD members, with the exception of China and Brazil.

Canada's future standard of living depends on its ability to open new markets for its products and services. Canada's performance in this area leaves much to be desired.

Strategies to improve Canada's trade performance, particularly with countries that exhibit strong economic growth, are seen as part of the solution. Since a significant proportion of Canada's immigrant communities hail from these growing economies they could potentially play a role in improving Canada's international trade performance.

This argument has been most pointedly made by Peter Hall, Chief Economist at Export Development Canada.²⁷ By recalculating Canadian GDP and exports growth rates, weighing them by Canada's ethnic mix and by the growth rates in those countries, Hall arrives at estimates that are roughly 1 per cent and 8 per cent higher for GDP growth and export growth respectively. In so doing, Hall considers the "potential [that] could be unleashed by greater trade engagement of Canada's diaspora."

This theoretical relation between international trade and immigrant communities begs the question of how are these communities currently linked to international trade.

FIGURE 1
Canada's Top Ten Export Destinations, 2012

Country	Canadian \$
United States	338,682,540,732
China	19,346,853,504
United Kingdom	18,759,896,191
Japan	10,357,389,316
Mexico	5,388,006,283
Netherlands	4,541,457,175
Korea, South	3,713,081,248
Germany	3,561,638,607
France (incl. Monaco, French Antilles)	3,151,531,605
Brazil	2,578,954,428

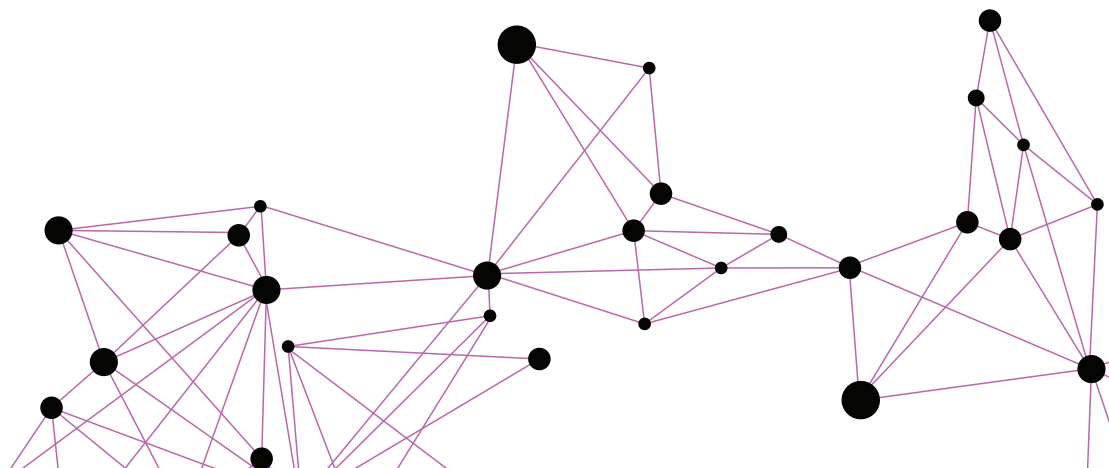
SOURCE: INDUSTRY CANADA, N.D.

Diaspora networks also pass along new ideas, research results, as well as scientific and business innovations that are important to modern economies.

2. How can diaspora networks play a larger role in knowledge transfer?

Information is the key currency of networks and it is no different for diaspora networks. Beyond the information flows related to markets, trade opportunities, and transaction costs mentioned above, diaspora networks also pass along new ideas, research results, as well as scientific and business innovations that are important to modern economies. The emergence of diaspora networks reconfigures traditional distinctions between country of origin and country of settlement. Many Canadians move across borders more frequently, have dual citizenship and consider more than one country home.

These facts should force us to revisit conventional policy debates. For example, rather than thinking about the “brain drain” produced by one-way migration flows from developing to developed countries, the multi-directional immigration flows encountered in today’s global economy are better characterized by the concept of “brain circulation.” Brain circulation has economic benefits for the economies of all countries that allow relatively free movement of people and ideas.²⁸ Thinking about “brain circulation” rather than sterile worries about “brain drains” is a more productive and realistic way to approach the issue.



3. How can diaspora networks play a larger role in the full economic participation of newcomers to Canada?

It is essential for immigrants and diaspora groups to be comfortably established in their countries of destination in order to fully participate in the economy. This settlement includes things like housing, income security and stable employment. Although settlement agencies and services are available to help immigrants feel included and secure in their new communities, other kinds of diaspora-related organizations may likewise play a role in helping immigrants engage locally.

Such local engagement can facilitate participation in the global economy. Once immigrants to Canada have a level of comfort and security with their local community, engagement with the global economy is likely to increase.



The Rise of Diaspora Networks

DRIVERS

Globalization of trade

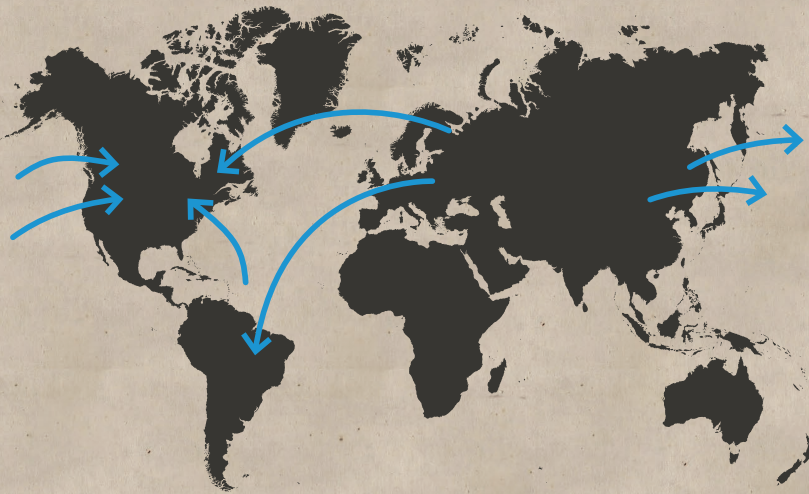
Shift of locus of economic growth to emerging economies

International competition for talent

Economic and social maturity of immigrant communities

Increased ease of communication and mobility

20th Century



One-way migration flows

Movement of people & goods

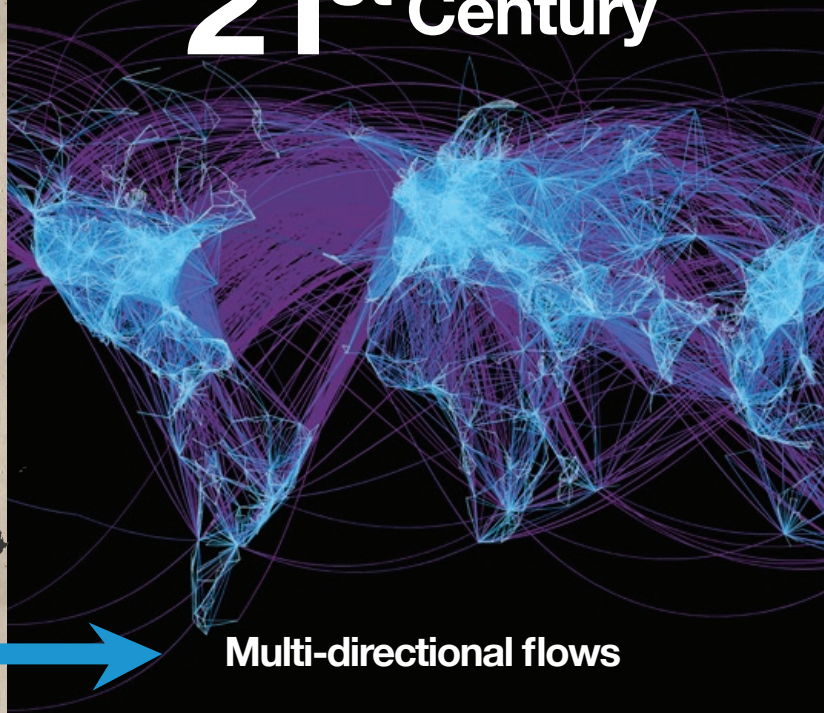
Brain drain & brain gain

Immigrant communities

Canadian experience

Ad hoc policies

21st Century



Multi-directional flows

Movement of people, goods, knowledge & investment

Brain circulation

Diaspora networks

International experience

Consistent front-of-mind diaspora lens in formulating policy

3 The Rise of Diaspora Networks

While the economic importance of immigrant communities for their home countries has long been recognized,²⁹ and it is known that diasporas promote trade, investment, and knowledge transfer,³⁰ the increasing importance of diaspora networks for their host countries is only now beginning to receive widespread attention.³¹

There is increasing evidence that diaspora networks serve as conduits of information, capital, and goods across borders,³² contributing to prosperity.

We posit that the growing importance of diaspora networks can be attributed to the confluence of a number of drivers that put a premium on multicultural and multilingual competencies at a time when new economies are emerging and when communications and mobility are easier than ever.

What's driving the rise of diaspora networks?

- 1 The globalization of trade,
- 2 the shift of economic growth to emerging economies,
- 3 the international competition for global talent,
- 4 the economic and social maturity of Canada's immigrant communities, and
- 5 the increased ease of communication and mobility

... lead to a changed context characterized by two-way and multi-way flows of people, capital, and goods and a more heterogeneous circulation of ideas, information, and capital.

The Globalization of Trade

Trade in the global economy has grown in size, complexity and interconnectedness. Trade accounted for only 20 per cent of global GDP in 1960, rising to 50 per cent by 2010. At the same time, supply chains have grown in complexity with many products having inputs that come from different countries, and distribution chains have expanded internationally. The globalization of trade has incorporated new countries, cultures and languages into the supply and distribution chains providing new opportunities for members of diaspora networks to play a larger role in international trade.

The Shift of Economic Growth to Emerging Economies

Over the last decade, the economies of the BRIC countries—Brazil, Russia, India, and China—have grown much more quickly than the economies of developed countries. Although economic growth has slowed significantly since the 2009 recession, these emerging economies are still growing at a higher rate than those of OECD countries. There is also a second tier of mid-size “up and coming” economies, such as Mexico, Indonesia, South Korea, and others, that are also growing faster than OECD countries.

This shift in the locus of economic growth seems to be rooted in structural and demographic causes, and therefore is likely to be long-lasting. Developed countries, Canada included, are rushing to increase their trade relations with these fast-growing economies. Canada’s sizable immigrant communities originate from many of these growing economies, which are well connected through their diaspora networks. These networks are well-placed to contribute to the exchange of products, services, and knowledge with the emerging economies.

The international competition for global talent

Successful companies operate internationally. They need workers who can communicate with suppliers and customers from diverse cultural and linguistic backgrounds, and who can operate comfortably in the global environment. These “global citizens” are educated, multilingual, and adapt easily to different geographies and cultures. They are connected with like-minded people around the world and tend to have a nuanced understanding of the global flows of ideas.

The critical competencies for sustained economic performance in the global economy increasingly include innovation and entrepreneurship, globally competitive enterprises, and international trade. The higher education, access to information, enterprising culture, global orientation, and knowledge of foreign markets that these competencies require are often found among members of immigrant communities.³³

The economic and social maturity of Canada’s immigrant communities

As immigrant communities settle in, their participation in the economy increases and their economic situation tend to improve over time. Economic stability permits higher education for their descendants and increased social

Canada, with more immigrant communities than most countries, is poised to see the economic participation of its diaspora networks increase.

and political participation. These maturing communities represent networked nodes of multicultural and multilingual human capital that have high potential for meaningful participation in the economy. Canada, with more immigrant communities than most countries, is poised to see the economic participation of its diaspora networks increase.

The increased ease of communication and mobility

Ease of communication has advanced immensely with the advent of the Internet. Communities of interest around the world can now participate in media-rich communication around-the-clock. Immigrant communities have been quick to take advantage of this capability, initially to keep in touch with family and friends, but increasingly to keep up with social, political, and economic developments in their countries of origin and with their counterparts around the world. As such, information and issues are not hampered by borders.³⁴ This ease of communication is complemented by increased mobility due to the relative accessibility of air travel.

As a result, immigrant communities that in the past had only sporadic communication with their countries of origin are now in continual contact with them and with the rest of their diaspora in other parts of the world, thus becoming effective international networks.

Taken together, these characteristics represent a significant change in the context in which immigration takes place and alter the very nature of immigration itself. A reappraisal of policies and programs with this new reality in mind is in order.

Diaspora Networks and the Global Economy

The increasing importance of diaspora networks for their host countries in the global interconnected economy has received attention in recent articles in *The Economist*,³⁵ which depicted them as a positive force in the interconnected global economy.

Diaspora networks facilitate trade and innovation thanks to three mutually reinforcing virtues that characterize them³⁶:

- 1** They facilitate the flow of information
- 2** They foster trust and social capital
- 3** They connect people with ideas within and across borders and cultures

Information flows

Transaction costs for businesses operating in foreign markets (e.g. search, information, market intelligence, etc.) can be significant, especially when the parties engaged in the exchange are separated by geography, culture, and language. Immigrant networks can bring in information about markets, products, trade partners, and opportunities for exchange thus lowering transaction costs and increasing the chance of success for those seeking to do business abroad.

Diaspora networks therefore create informational bridges between market players that would otherwise be disconnected from one another. They work to counteract a classic drag on market efficiency, as “imperfect information may impede the efficient functioning of product and labour markets”.³⁷

In the next section we explore how diaspora networks influence knowledge transfer, particularly as it relates to innovation and entrepreneurship.

Trust and social capital

Social capital is the trust generated from frequent and persistent exchanges between individuals and groups. Like all forms of capital, social capital has value and can be used to increase prosperity and well-being.

Communities with a high degree of social capital tend to have higher levels of social and economic output. The informal values and norms shared among members of a community promote cooperation among them and expand opportunities for exchange.³⁸

Social capital is particularly important where the rule of law is uncertain, regulatory environments are opaque, and information costs are high. Diasporas mitigate the uncertainties of dealing with others across borders because they allow market participants access to personal networks of trust and information.

In the next section we identify how Canada can better leverage its diaspora networks and their cross-border social capital to expand circles of trust. This would allow Canada to diversify and broaden its trade and investment relationships.

Connect people with ideas

Countries must continually innovate to remain competitive. Innovation is built on the exchange of ideas. Diasporas carry ideas and information across borders and cultures, and therefore expand and diversify the pool of ideas, thus helping counteract conventional thinking. Canada would benefit from a policy framework that can better mobilize ideas from their diaspora networks for the collective well-being and prosperity.

A particularly powerful way of connecting people with ideas is through university studies in another country. Foreign students are a source of ideas and innovation.³⁹ They are the most active participants in cross border “brain circulation” and exchanges of ideas.⁴⁰ Canada is a sought-after destination for international studies: it ranks eighth in the world behind the United States, the United Kingdom, Australia, France, Germany, Russia, and Japan,⁴¹ and there were more than 260,000 international students in Canada at the end of 2012.⁴² The kinds of knowledge and information exchanges and sharing that occur when students and researchers travel, work, and study internationally can multiply. Regions that continue to attract and circulate the “best and brightest”⁴⁰ from around the world are on the cutting edge of research and innovation.

Additionally, international students contribute directly to the economy. The Department of Foreign Affairs and International Trade reported that in 2009, international students contributed over \$6.5 billion to the Canadian economy. Also, in 2008 the impact of international education on government revenues was estimated to be over \$291 million. The top three countries of origin for foreign students in Canada are China, South Korea, and India.

In summary, there are enough reasons to conceptualize diaspora networks as a new dynamic factor in the global economy and to investigate in a more deliberate way how diaspora networks in Canada relate to the global economy, and what kind of policies would make these relationships flourish.



4 Findings

1. How Can Diaspora Networks Play a Larger Role in International Trade?

This question was addressed mostly to chambers of commerce, export firms, and an employee resource group, who are more likely to have interest and involvement in trade activities.

FINDINGS

- With some exceptions, diaspora networks seem to be more focused on local commerce and economic engagement than on international trade.
- Firms that are successful in entering new export markets often leverage the technical and cultural knowledge and personal networks of their staff to do so.

Many of the ethno-cultural chambers of commerce we interviewed tended to focus on local networking activities and opportunities rather than on actively promoting international trade with their respective countries and regions. This does not appear to be due to lack of interest by the groups, as several noted an interest and desire to be involved with trade, but rather to several external and internal barriers.

External Barriers

- High value of the Canadian dollar
- Long distances to some countries of origin
- Political and economic instability in some countries of origin
- Canadian business complacency (preference to trade with existing markets)
- Difficulty in obtaining visas for business people (both in Canada and in some countries of origin)
- Firms cite the high cost of transactions for small export deals. These costs are prohibitive to smaller firms intending to export.

Where the knowledge of markets and products is combined with the knowledge of culture and language we observed a powerful ability to expand trade activity to new markets.

These external barriers can have a significant effect on the commercial and trade activity of these organizations. The ability of diaspora networks to overcome them is very limited but there are actions that can be taken by government to address some of these barriers.

Further, Canadian economic dependence on existing markets (largely the United States) is a hindrance to expanding in emerging markets, since Canadian businesses tend to be risk-averse.

Firms and communities have also noted that visa issues are a large barrier. Visa-processing may take too long, a deterrent for business-oriented travellers who require use of their passports.

Internal Barriers

- As volunteer, membership-based organizations, ethno-cultural chambers of commerce have limited resources which restricts their scope for action
- The focus of a large part of their membership is on local business connectivity, rather than international trade
- Social connectivity and networking functions command most of their time and resources
- Political, ethnic, or ideological divisions from countries of origin may carry over into some diaspora communities in Canada.

These internal barriers affect the interviewed organizations to different degrees, and in some cases they may be part of the organization's design (e.g. focus on local commerce). But a common feature is that as volunteer, membership-based organizations they have limited resources, which in turn limits their scope of action. Given that membership often directs the objectives of the organization,

scope for action on international trade is limited to members' interests. These barriers are easier to overcome than the external ones, except for the divisions brought over from countries of origin, which restrict opportunities for collaboration and networking.

Synergy Between Technical and Cultural Competencies

It was noted in discussions with government trade experts that although diaspora members have cultural and linguistic knowledge of countries of interest, they may not have the deep knowledge of the markets, sectors and products which are essential to successful trade activity. It takes a combination of factors to effectively break into a new market.

This observation, which was corroborated by the export firms we interviewed, along with the orientation of many diaspora networks to local business rather than to international trade, run contrary to the expectation of experts such as Peter Hall (quoted earlier), that a substantial proportion of immigrants could be interested and involved in international trade. This may be one of the main reasons we observe disappointing levels of trade activity with some markets from which Canada has thriving diasporas.

However, where knowledge of markets and products is combined with knowledge of culture and language we observed a powerful ability to expand trade activity to new markets. This is the case of the few firms we interviewed which reported leveraging the technical and cultural knowledge of members of diaspora networks within their staff for successful forays into new export markets. These firms see the diversity of their staff as a strategic advantage, valuing "international experience" as much as "Canadian experience." In one case, a firm that has successfully entered new markets with the participation of the diaspora members within its staff has a display of the flags of all their countries of origin. The recognition of the staff's cultural diversity as a business asset, symbolized in such a flag display is the kind of approach that could give Canadian companies an edge in accessing new markets.

FLAGS IN SAMCO'S SHOP FLOOR

IMAGE PROVIDED BY SAMCO MACHINERY



RECOMMENDATIONS

- Create a mechanism or network through which ethno-cultural chambers of commerce can connect with each other and with local chambers of commerce such as the Ontario Chamber of Commerce and the Toronto Board of Trade, in order to learn from each other and to share best practices.
- Create a mechanism through which ethno-cultural chambers of commerce can access administrative support, perhaps through partnerships with regional chambers and organizations, to provide support for groups interested in international trade.
- Encourage ethno-cultural chambers of commerce to secure alternative sources of funding, such as corporate sponsorships, to complement income from memberships.
- Encourage increased participation by chambers of commerce and immigrant networks in incoming and outgoing trade missions.
- Encourage firms to value the diversity of their staff and leverage their technical and cultural competencies when expanding to new markets.
- Reduce transaction costs for export deals under \$1 million.
- Reduce wait times for business visas or allow applications without the retention of passports.

Initiatives that provide more sources of information and the linkages that exporters need to expand into emerging markets are key here. Creating networks to connect groups with similar objectives or characteristics, like ethno-cultural chambers of commerce with municipal or provincial chambers of commerce and boards of trade, will encourage information and resource sharing that can lead to increased economic activity. Organizing the various networks and groups around a central repository of best practices can encourage the sharing of strategies and knowledge across the various groups. This does not need to be limited to just trade and country information and strategy but should also include settlement supports and employment networks. Supporting volunteer-based networks and organizations administratively will also provide them with more space to focus on key issues like trade missions, networking events, and export information.

Immigrant entrepreneurs may possess knowledge of global and international markets, which may help to further Canada's global business linkages.

Engaging the interested chambers of commerce and immigrant networks in traditional and "reverse" trade missions will help to expose them to opportunities and potential partners in new and emerging markets. Additionally, it is important to help firms realize that the diversity offered by Canada's labour market is a valuable strategic advantage that they may be able to draw upon. Employees from a variety of backgrounds may possess cultural competencies, in addition to their technical knowledge, that can aid with expansion to new markets in their countries of origin. Reducing export costs for smaller transactions will encourage small and medium enterprises to export by lowering an important export entry barrier.

Citizenship and Immigration Canada's recently initiated startup visa program⁴⁴ encourages immigrant entrepreneurs to connect with Canadian investors and private sector organizations. This program is aimed at attracting and retaining international entrepreneurs, encouraging the economic participation of immigrants directly from their arrival to Canada, if not before. Ontario's Expert Roundtable on Immigration further highlighted the importance of attracting immigrant entrepreneurs as they are able to strengthen the economy by creating jobs and injecting innovative ideas into the business community.⁴⁵ Additionally, immigrant entrepreneurs may possess knowledge of global and international markets, which may help to further Canada's global business linkages. Such programs explicitly encourage applications from immigrants who are prepared to be fully involved in the economy, ensuring higher chances of economic participation and possible engagement with emerging markets.

2. How Can Diaspora Networks Play a Larger Role in Knowledge Transfer?

Knowledge transfer is one of the distinctive activities of diaspora networks, and it can include the sharing of subject, market and region specific information, as well as contacts and the development of social capital. This question was posed to all the organizations interviewed and the feedback is organized by three of the main groups interviewed: Chambers of Commerce, professional groups, and education and research groups.

FINDINGS

- **The knowledge transfer activities of the interviewed diaspora networks are generally directed at their members' needs, but not specifically towards innovation or entrepreneurship.**
- **The knowledge transfer activities of the interviewed diaspora organizations are not coordinated.**

The type of knowledge transfer diaspora networks engage in tends to be specific to the activity of the organization and to serve the needs of their membership. But except for networks dedicated to education and research, there is no specific focus on innovation or entrepreneurship.

Chambers of Commerce perform social networking functions and serve as conduits of shared knowledge that lead to increased business connections and local commercial activity. Some of them also provide information on doing business in their countries of origin.

Social networking is one of the key activities that ethno-cultural chambers of commerce organize through their events, and programs. These help to create working relationships and partnerships that promote the transfer of information, contacts and other business knowledge among members, which may result in increased business activity. Some of the chambers are also equipped to provide information on doing business in their home countries, helping business people from Canada learn more about the processes involved in exporting or expanding their businesses to those countries.

The knowledge transfer activities of PINs and professional associations are directed at sharing contacts, information, and industry-specific knowledge that lead to up-skilling, professional development and better job prospects. Their mandate seeks to help new arrivals to Canada settle and integrate by providing career assistance. Beyond business and professional development, their strategy includes forming partnerships with Canadian businesses to build working relationships and collaboration.

The Latin American MBA Alumni Network (LAMBA), for example, focuses on connecting Latin American MBA graduates in Canada and has significant corporate contacts and sponsorships. This strategy has been shown to help Latin American MBA graduates new to Canada find jobs appropriate to their qualifications and skill levels through connecting with other professionals in the industry who possess relevant information and resources. Canadian companies benefit by having contacts with these professional networks and access to multilingual and multicultural pools of talent that have the business expertise they require. Additionally, LAMBA members are knowledgeable about Latin American markets, and companies can draw on this knowledge to expand their businesses into that region.

Education and research groups are distinct diaspora networks that operate in the post-secondary education and research arena. Alumni networks, for example, connect highly-educated and skilled groups who have graduated from the same university. They have high economic potential, and their knowledge transfer activities, like those of the PINs, seem to be directed mostly at professional advancement. These groups also maintain relationships between graduates around the world and their institution of origin. These networks can act as effective knowledge-transfer conduits between the institution of origin and its members around the world.

The Toronto Region Immigrant Employment Council (TRIEC) has contributed greatly in this space. TRIEC focuses on solutions that help to integrate immigrants into the Toronto region's labour market, for example through education, facilitation of mentorship programs (The Mentoring Partnership), and strengthening professional networks (the Professional Immigrant Networks initiative). Such programs promote knowledge transfers through networking to help immigrants find suitable employment and promote their engagement in the economy. The 'hub' function that TRIEC fulfills in relation to immigrant organizations should be encouraged in order to increase the coordination and sharing of best practices across organizations.

Research and collaboration networks can bring together top researchers from around the world to develop new ideas, innovative technologies, and solutions to various problems.

The institutions that bring students from other parts of the world to Canada, or organize inwards and outwards students exchange programs, are another important kind of organization in this space. International education is an explicit means for the international transfer of knowledge through international students and exchange programs both into and out from Canada. Students develop competencies, experience, and familiarities with other countries and cultures, as well as personal, social, and professional networks in those countries. These networks endure even after the student returns to their country of origin. There are also students who do not return but stay on, becoming immigrants, and subsequently providing links to their home countries.

This kind of exchange contributes to the “brain circulation” that has been shown to impact innovation and research in various countries.⁴⁶ Universities and education organizations such as Mitacs,⁴⁷ work in this space and have developed successful programs that bring Canadian and international students and researchers together. This kind of activity, particularly when focused on innovation and entrepreneurship, should be encouraged.

The student exchanges discussed above tend to take place at the undergraduate level and it is distinct from the traditional exchange of international graduate students and academics. Universities have long welcomed foreign scholars who collaborate with other researchers and colleagues from their home countries and globally, creating research networks that transcend national boundaries. These research and collaboration networks can bring together top researchers from around the world to develop new ideas, innovative technologies, and solutions to various problems. In this project we did not interview international research collaboration groups.

Student exchange programs represent a great opportunity for international knowledge transfer related to research, development, and innovation.

International students also have an immediate effect on the economy through

tuition fees, living expenses and discretionary expenses. Their impact on government revenues was estimated to be over \$291 million in 2008, and in 2009 international students contributed over \$6.5 billion to the Canadian economy.⁴⁸

Barriers to knowledge transfer

- Lack of coordination among organizations with similar objectives
- Lack of resources for volunteer-led organizations restricts scope of activities
- Lack of explicit focus on knowledge transfer and innovation in some organizations
- Visa difficulties with some countries

Barriers to the effectiveness of knowledge transfer in diaspora groups are not dissimilar to those of commerce-focused diaspora groups. Again, the voluntary nature of many organizations and networks restricts their scope of action, limiting the activities that they are able to perform. Mandates and objectives take more time to achieve since there is often little time and finances to execute and accomplish them. Networks do not always focus explicitly on the functions of knowledge transfer and innovation, concentrating more on the advantages and benefits of individual achievements.

RECOMMENDATIONS

- **Provide a mechanism to coordinate existing organizations with similar objectives and to promote a focus on knowledge transfer and innovation, such as a central hub or network to connect the groups. TRIEC's strategy of connecting people may be a good model to follow.**
- **Enhance opportunities for "brain circulation" through the participation of foreign students in Canada's universities and colleges and Canadian students in foreign institutions.**
- **Simplify pathways to permanent residence for international student graduates of Canadian colleges and universities.**
- **Encourage Canadian organizations and institutions to develop research and expertise relevant to the needs of new and emerging economies.**

An initiative that brings together knowledge-based diaspora groups in a coordinated manner would allow them to connect and share resources and best practices. A deliberate focus on knowledge transfer, innovation, and entrepreneurship would make them more valuable to Canada's economic development.

Additionally, enhancing opportunities within universities and colleges for international students to participate and collaborate in research activities that not only benefit host institutions and countries but also promote "brain circulation", which encourages the transfer of good ideas and promotes innovation.

The Expert Roundtable report on Immigration⁴⁹ recommends that the federal Canadian Experience Class programs could be better leveraged to provide international students with pathways to permanent residence through promoting it as a primary program for students to transition to permanent resident status, and to expand efforts to encourage the recruitment of international students. Additionally, any legislation, such as the 2011 *An Act to Amend the Immigration and Refugee Protection Act* (formerly known as Bill C-35),⁵⁰ designed to curb exploitative immigration consultants should be careful to not negatively impact the immigration of international students and graduates by restricting the actions of university and college advisors. These initiatives, carefully implemented, would enhance the quality of research in Canadian universities and increase the pool of highly talented potential immigrants in the country.

Finding and encouraging the development of expertise and research that is relevant to the needs of emerging economies is another way Canada can be further involved in global exchanges of knowledge and information. Diaspora networks can draw on their contextual and specific knowledge of the needs and markets in emerging economies to guide the development of expertise. This would increase ways in which Canada can be involved in the development of other countries and, at the same time, continue to learn from relevant situations and circumstances in other regions, which would encourage further innovation. The Conference Board of Canada has noted that, for example, Canada has expertise in many of India's rapidly developing needs, particularly in terms of infrastructure and the auto sector.⁵¹ Developing the global reach of such expertise in Canada will open doors to long-term opportunities in diversified markets.



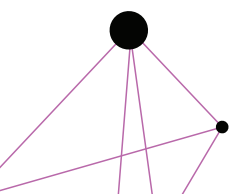
3. How Can Diaspora Networks Play a Larger Role in the Full Economic Participation of Newcomers to Canada?

An early and meaningful insertion of newcomers into the labour market is a prerequisite for their successful participation in Canada's economic and social life. This important function is the focus of immigration and settlement services and related immigration support systems. This question was posed to all organizations interviewed. It addresses how the diaspora networks we interviewed were engaged in this kind of support to new immigrants, how successful they were, and whether there are ways to enhance their contribution. This issue has become even more important recently as there is evidence that immigrant economic outcomes have been consistently declining since the 1990s, despite their rising education and skills levels.⁵²

FINDINGS

- Most diaspora networks engage in some form of support to help new immigrants adapt and find suitable employment, but for the most part these efforts are not coordinated.
- PINs tend to have a deliberate focus on facilitating access to employment for new immigrants in their professions.
- By reducing entry time into meaningful employment the networking approach has significant positive effects on new immigrants and on the economy.
- Networking serves to help immigrants advance more quickly to levels appropriate to their training and experience at their places of employment.
- Education and Research groups provide a supply of specialized workforce needed by the high tech industry.
- Some groups provide support for the transition from university to the workforce.
- Recent changes in immigration rules that facilitate immigration for graduates from PhD and Masters programs are a positive development.

A noteworthy example of a successful immigrant settlement model is that used by the Latin Project Management Network (LPMN). No longer limited to immigrants from Latin American countries, this PIN congregates around the internationally recognized project management certifications accredited by the



Project Management Institute. As members advance in their project management certification the network also serves as an employment information network. They report cases in which new immigrants have contacted them before their arrival to Canada and, by the time they arrive, the LPMN has already helped them have several job interviews lined up.

The ethno-cultural chambers of commerce also contribute to new immigrant settlement. They focus on connecting new immigrant business people with information and people in their sectors of interests. Their events promote knowledge exchange, which helps newcomers connect with the sectors to which they possess relevant skills and experience, possibly shortening their time to find meaningful employment.

Education and research groups also tend to focus on the specific characteristics and needs of their members. For example, the EXATEC Ontario Alumni Association connects graduates from the Monterrey Institute of Technology and provides support to its members in Ontario, including connecting new immigrant members with established members, helping them develop employment related skills, or connecting them with businesses that may need their services.

As this is a study of diaspora networks, we did not focus on organizations specifically dedicated to facilitate the settlement of new immigrants in Canada. However, it is important to point out that many diaspora networks interact with organizations that work in this space, such as Maytree and TRIEC. The Maytree Foundation, for example, promotes diversity and integration among its key objectives, and funds initiatives that impact new immigrants directly. Maytree founded TRIEC, who, as mentioned above, focus on immigrant integration in the Toronto region. In creating opportunities for immigrants to connect with employers, the TRIEC-led PINs, and various other professional associations, play an important role in helping new immigrants to settle.

Barriers to Full Economic Participation

- Difficulties with the recognition of international qualifications is a long-standing issue
- Requiring “Canadian experience” for many jobs, while in decline, is still a significant barrier

Continuing difficulties with the recognition of international qualifications have been a longstanding barrier to immigrants' economic participation in Canada. The lack of recognition of non-Canadian credentials is a complex issue that involves jurisdiction over the practice of regulated professions and trades. Together with the common requirement of "Canadian experience", the lack of recognition of non-Canadian credentials was the most commonly cited barriers to employment and economic participation for recent immigrants by all the diaspora networks interviewed. This barrier remains despite extensive study and criticism from watchdog bodies such as the Ontario Human Rights Commission and Ontario's Office of the Fairness Commissioner.⁵³ Effective solutions have yet to be implemented.

RECOMMENDATIONS

- **Provide a coordinating mechanism (or enhance an existing one, such as TRIEC) so that diaspora networks can exchange ideas and learn from each other.**
- **Encourage professional associations to congregate around internationally recognized certifications such as the Project Management Professional (PMP) or MBA, as the Latin Project Management Network (LPMN) and the Latin American MBA Alumni Network (LAMBA) have done. This would facilitate the entry of skilled immigrants into the Canadian job market.**
- **Encourage PINs and professional associations to establish ongoing links with corresponding professional regulatory bodies.**
- **Encourage firms to value international experience as a source of expertise.**

As observed, the social networking efforts of diaspora organizations help to connect people. This increases their social capital, allowing them to draw on a community's knowledge and expertise to improve their outcomes and increase their participation in the economy. Connecting diaspora organizations with each other would help the community learn strategies that work well, as well as promote good ideas and innovation, and coordinate their actions. Expanding the potential for professional associations to engage with education and the labour market may improve their capability to help both immigrants and employers better comprehend each other's needs and more effectively meet them. This would reduce drag on the economy as immigrants would be able to participate more efficiently in the labour market, particularly by being able to fully utilize the skills that assisted their immigration to Canada.



5 Conclusion

The notion that immigration and other policies designed for the Canada of the 1970s are suitable to harness the enormous opportunities of today is misguided. We no longer live in a world of one-way flows of immigrants to Canada; we live in a world of complex and diverse circulation of people, ideas, goods, services, and capital. The new world of diaspora networks requires Canada to apply a more sophisticated lens to our policies—a lens that takes into account the diverse and globally connected nature of our population.

Canada should adopt a “diaspora lens” at important points of economic and social policy development. A wide range of policy areas, beyond just immigration and trade, need to be re-examined through this diaspora lens. Some additional policy changes that might emerge from such an exercise might include:

- When abroad, Canadian leaders should engage with the overseas Canadian diaspora (Canadians abroad)⁵⁷. This strengthens Canada’s linkages with other countries by keeping overseas Canadians connected and involved with Canada, while providing Canadian leaders with access to important insights into other countries. This could include more formal engagement with Canadians abroad, many of whom have multiple national identities, move back and forth across borders and are members of diaspora networks.
- Ensure that any legislation designed to curb exploitative immigration consultants, such as the 2011 *An Act to Amend the Immigration and Refugee Protection Act* (formerly known as Bill C-35), does not negatively impact the immigration of international students and graduates by curtailing the efforts of university and college advisors—and sometimes employers—seeking to help immigrants understand Canadian immigration rules and settle permanently in Canada.
- Encourage immigrants’ fuller participation in politics through actions like allowing permanent residents municipal voting rights.⁵⁴ Such a measure would hasten immigrants’ inclusion and participation in Canada’s political processes and economy.
- Other than where this raises security concerns, modernize rules on philanthropy to encourage global giving.⁵⁵ Strengthening the infrastructure around cross-border charitable donations would make it easier for groups and people to connect with their diaspora communities, further strengthening ties and maintaining networks.

Economic outcomes for immigrants and for the country as a whole will improve if we recognize the emerging importance of diaspora networks in Canada and the world.

- Other than where this raises security concerns, improve regulations for remittances to allow immigrants to transfer funds more efficiently and with less overhead.⁵⁶
- Examine rules around internships and volunteerism to ensure that global opportunities are available to Canadians and not inadvertently discouraged due to organizational regulations.
- Ensure smaller manufacturing firms have a better chance to participate in foreign markets by developing an appropriate export credit insurance policy that would provide protection against non-payments by clients, minimize risk, and increase working capital. A strategic partnership between Export Development Canada (EDC) and Canadian Manufacturers and Exporters (CME) is currently exploring options to facilitate exports by small manufacturers.
- Take advantage of opportunities such as the Pan American/Parapan American Games to be held in Toronto in 2015 and the 150th anniversary of Confederation in 2017 as rallying events to roll out new policies related to diaspora networks.

Overall, we conclude that actors across the public, private, and not-for-profit sectors should redouble efforts to connect diaspora networks with each other and with established organizations in Canada. Economic outcomes for immigrants and for the country as a whole will improve if we recognize the emerging importance of diaspora networks in Canada and the world.

Appendix A

Scope & Methodology

Scope

Diasporas encompass a wide range of economic, social, and political issues including, among others, foreign policy, peace-building, home-country development, remittances, politics, and identities. While we are aware of the importance of these and other related issues, the research presented here does not attempt to address them. As a preliminary inquiry, this work is narrowly focused on some specific aspects of the economic participation of diaspora networks in the economy of Ontario.

Also, while we are aware of Canada's own diaspora, we do not explicitly address the economic impacts of Canadians abroad in this paper. The Asia-Pacific Foundation has researched the issue of Canadians Abroad thoroughly and, while they may have significant impacts on Canada's economy, Canadians abroad pose a different set of issues. Many countries have organized formal bodies, like India's Ministry of Overseas Indian Affairs or Mexico's Institute of Mexicans Abroad, to stay in contact with their citizens abroad. The existence of these bodies indicate a formal, state-sanctioned recognition of the countries' overseas communities, offering a sense of inclusion and belonging, as well as encouraging the continued economic and political engagement of overseas citizens.

Moreover, the distinction between diasporas within Canada and Canadian diasporas abroad is somewhat artificial. "Canadians abroad" may possess multiple identities and citizenships, simultaneously participating in more than one diaspora.

The main limitation of this project is its incomplete availability of data. For immigration, data from the 2011 census is relatively incomplete, so we have used data from the 2006 census, with 2011 data where available. Because the 2011 census data (the National Household Survey) was recorded differently from previous censuses,⁵⁸ comparisons with census data from previous years must be made with caution.

The information on Foreign Direct Investment (FDI) is even more limited. FDI numbers for some countries and for certain years are unavailable due to confidentiality concerns. Therefore, comparisons between certain countries or over time cannot be made in a straightforward manner.

Identifying diasporas from quantitative data, particularly from census data, is difficult. Diasporas are defined primarily by their connections, and self-selection makes them difficult to discern in the data available. Markers that suggest the presence of diasporas are used, and these include: immigrant status, mother tongue (or use of non-official language), and belonging to a visible minority. However, these are not exhaustive or absolute indicators of diasporas and should not be treated as such.

In addition, given limited time and resources, it was not possible to conduct interviews with diaspora organizations in other provinces. The conclusions of this work are thus limited by the size of the sample, participation bias, and the location of organizations in Ontario only.

Identifying Diaspora Networks in Ontario

We cast a wide net to interview as many economic-related diaspora networks as possible, beginning with a listing of ethno-cultural chambers of commerce obtained from the Ontario Chamber of Commerce. Diaspora organizations were also identified by consulting with people working in the field, as well as through snowball sampling, which recruits new interviewees from existing participants in the interview process. We also made connections with some organizations through introductions from members of our Advisory Panel and personal contacts. The type of organizations we identified and interviewed can be classified as follows:

- Bilateral and ethno-cultural chambers of commerce
- Professional Immigration Networks (PINs) and professional associations
- Education and research groups
- Employee resource groups
- Exporting Firms

Bilateral and ethno-cultural chambers of commerce are business-related networks usually based on affiliation with a particular country or geographic region. Examples from our respondent group include the Toronto Hispanic Chamber of Commerce and the Indo-Canada Chamber of commerce.

Professional Immigrant Networks (PINs) and professional associations are networks of professionals and immigrant talent that congregate around specific professions and/or industries and sectors. Examples of groups we interviewed include the Latin American MBA Alumni (LAMBA), and Latin Project Management Network (LPMN).

Education and research groups are distinct diaspora networks that operate in the post-secondary education and research arena. Alumni networks, for example, connect highly-educated and skilled groups who have graduated from the same university.

We also interviewed several firms that export products and services to a variety of export markets.

Along with the networks identified, we also interviewed federal and provincial government officials who work in areas related to trade and immigration. Many of the organizations identified were invited to participate through cold-calling, and others through introductions from earlier participants or the project's Advisory Panel. Of the 33 organizations contacted, 19 agreed to participate, a participation rate of 58 per cent.

We held roundtables with members of CivicAction's Emerging Leaders Network (ELN), as well as with trade specialists at the Ontario Ministry of Economic Development, Trade, and Employment, and policy analysts at the Hemispheric Policy group of the federal Department of Foreign Affairs and International Trade to canvass their experiences and perspectives with the subject matter. We also met with staff at the Ontario Ministry of Citizenship and Immigration.

Interviews

An interview questionnaire was developed to address the research themes identified above and to gather some information on the nature of the organizations, membership, and its relationships with other organizations. A number of interview questions were formulated with the help of the work of Carlo Dade and Per Unheim.⁵⁹ Questions were divided into four areas: network profile, participation (economic and other), interaction with official bodies, and policies for increased participation in the economy.

The questionnaire was administered through in-person semi-structured indepth interviews. Indepth interviews were used, rather than surveys, as they provide a deeper understanding of experiences and perspectives, as well as opportunities for the researchers to clarify ambiguous positions, and for respondents to provide a higher level of detail than would otherwise be feasible. In the few cases in which in-person interviews were not possible the questionnaire was administered by telephone.

The questions were supplied to the participants by email a couple of days before the interviews, which were all conducted by the two authors. Each interview began with an overview of the project to provide context and invite feedback, comments, and any required clarification before the interview questions were asked. The interviews were semi-structured, designed to address the research questions with slight variations depending on the nature of the organization interviewed. Not all questions were asked of all interviewees, but rather the appropriate questions were selected according to the nature of each organization. Questions were open-ended to invite respondents to expand on their responses and to explore related issues.

List of Interviewees

Aga Khan Foundation

Canada Bangladesh Chamber of Commerce and Industry

Brazil-Canada Chamber of Commerce

Canada Israel Chamber of Commerce

Canada-Pakistan Chamber of Commerce

Canada-Sri Lanka Business Council

EXATEC Ontario Alumni Association from Tec de Monterrey

HOLA Scotiabank

Indo-Canada Chamber of Commerce

The Indus Entrepreneurs Toronto

Jamaican Canadian Association

Latin American MBA Alumni Network

Latin Project Management Network

Macro Products Ltd.

Mitacs

Philippine Consulate General

Red de Talentos Mexicanos en Toronto

Samco Machinery

Toronto Hispanic Chamber of Commerce

Additional Consultations

Business Climate and Innovation Assistant Deputy Ministers' Committee - Ontario
CivicAction and the Emerging Leaders Network

Department of Foreign Affairs and International Trade Hemispheric Policy

Ontario Ministry of Citizenship and Immigration

Ontario Ministry of Economic Development, Trade and Employment

Toronto Region Immigrant Employment Council

Interview Questions

NETWORK PROFILE

Who does your organization represent?

How is your network/community organized?

What are the main concerns and issues in your community?

What are the international links of your network/organization?

What do you think is the potential for full economic participation of your network?

How do you measure the economic and non-economic impact of your community/network?

PARTICIPATION

How would you describe your network's participation in the economy?

Is there an international aspect to your economic participation?

Do you collaborate with other networks and organizations?

Are there non-economic exchanges and transfers you participate in (eg. knowledge, expertise)?

Do you think there are barriers to your participation; if so, what are they?

INTERACTION WITH OFFICIAL BODIES

How does your community interact with governments and government bodies?

Does your community engage in partnerships with any level of government?

Do you see the activities or policies of any level of government as helping or hindering the operation of your network?

POLICIES FOR INCREASED PARTICIPATION IN THE ECONOMY

What policies would help your network participate more in the economy?

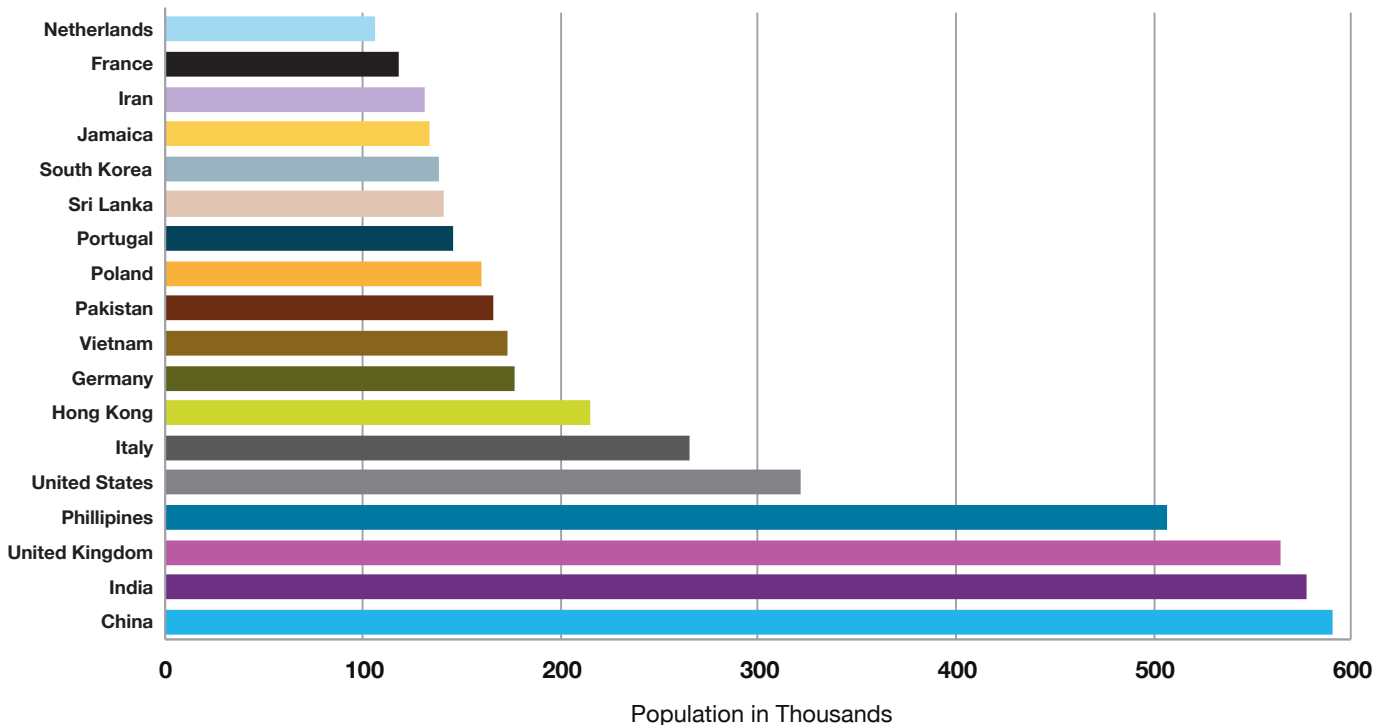
Appendix B

The Diaspora Landscape in Canada

This appendix outlines the diaspora landscape in Canada. It begins with its demographic characteristics to provide an idea of the kinds of diaspora networks in the country. The following section provides data on the numbers and sources of immigrants to Canada, and the trade between Canada and those countries. The next section is a comparison of Canadian immigrants with the rest of the world, and following that is a section outlining the characteristics of the immigrants that land in Canada and the diversity of languages used in the country. The final section presents data on international students in Canada and around the world.

A defining characteristic of Canada's population is its diversity. In 2011 over 20 per cent of people living in Canada were born outside of the country. This is projected to reach between 25 and 28 per cent in 2031.⁶⁰ For the past 10 years, immigration growth has been more significant than natural increase, averaging almost 60 per cent of Canada's population growth.⁶¹

FIGURE 2
Place of Birth of Non-Canadian Born, Canada, 2011

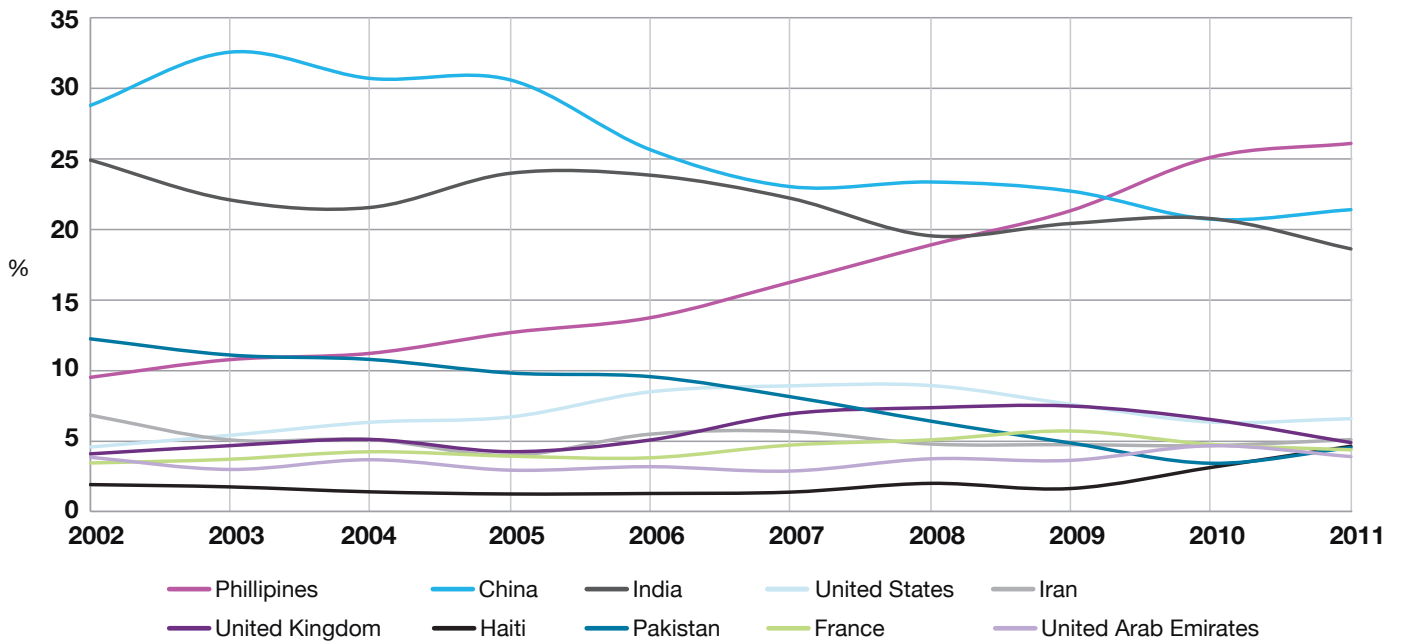


SOURCE: STATISTICS CANADA, 2013

Immigrant numbers are not the sole indicator of the propensity for overseas linkages and exchanges. Not all immigrants maintain links to their former countries of residence, and not all Canadian residents who have connections to other countries are immigrants. Additional indicators for diaspora populations in Canada may include mother tongue and first language spoken at home, or ethnic origin, or visible minority status. None of these on their own are adequate, but they can present an idea of how varied the Canadian demographic landscape is, and the potential that exists for cross-border linkages and connections.

The significance of Canada’s and Ontario’s population landscape to this paper is not solely its diversity, but also the changing source countries from which people are immigrating. In terms of sheer numbers, the largest immigrant populations in Canada in 2011 stem from China, India, the United Kingdom, the Philippines, and the United States.⁶² However, the proportion of incoming immigrants in recent years is not the same as the immigrants existing in Canada—immigration trends shift and change over time. Figure 2 shows the top 10 largest immigrant populations by source country in Canada in 2011, and Figure 3 shows the top 10 source countries of permanent residents arriving in Canada from 2002 to 2011 (2011 figures).

FIGURE 3
Relative Proportion of Permanent Residents by Top 10 Source Countries, 2002-2011



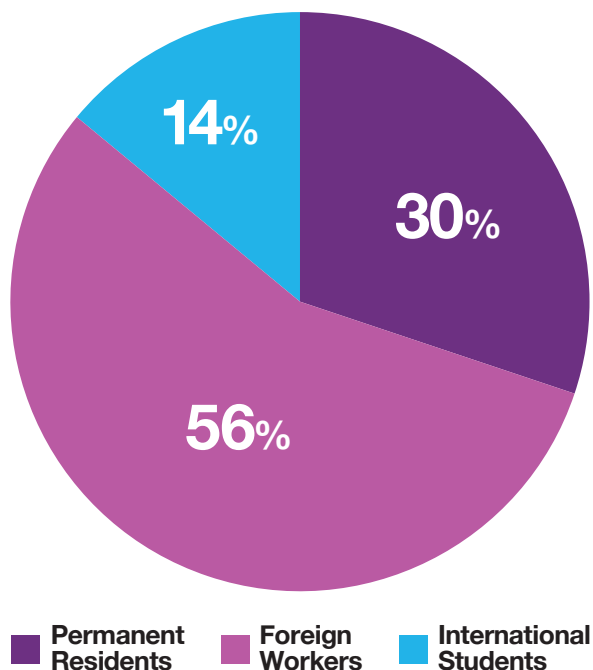
SOURCE: CITIZENSHIP AND IMMIGRATION CANADA, 2013A

In absolute numbers, the fastest growing immigrant populations in the past 10 years are from China, India, the Philippines, Pakistan, and the United States.

Only half of the top 10 countries are the same in Figures 1 and 2: the Philippines, China, India, the United Kingdom, and the United States. This points to a very dynamic Canadian demographic landscape that will likely keep changing in terms of immigrant proportion and source countries. The proportion of newcomers from the Philippines is steadily growing, while immigrants from China and India have levelled off to consistent annual proportions. At the same time, these three countries provide almost 65 per cent of immigrants from the top 10 countries.

FIGURE 4
Latin American Immigrants, Foreign Workers, and International Students in Canada, 2011

2011		
Permanent Residents		
Philippines	34991	14%
China	28696	12%
India	24965	10%
Latin America	14862	6%
United States	8829	4%
Foreign Workers		
United States	34350	18%
Latin America	27538	14%
France	15777	8%
United Kingdom	10552	6%
Australia	9019	5%
International Students		
China	21814	22%
India	12049	12%
Korea	8178	8%
Latin America	6903	7%
France	5068	5%

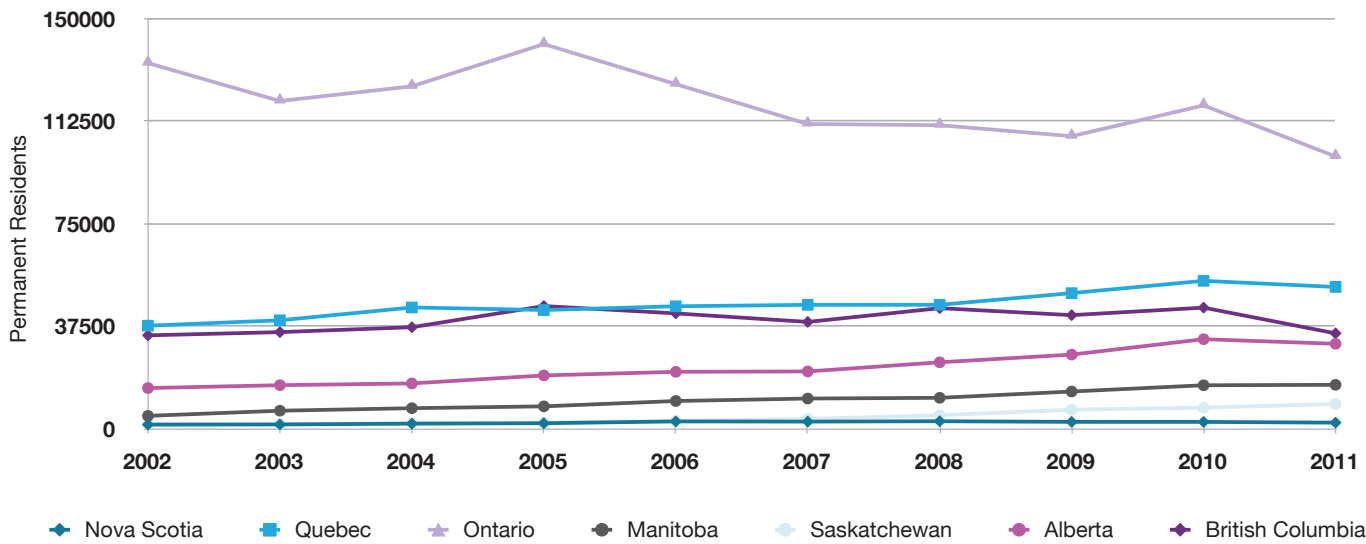


SOURCE: 2011 DATA FROM SCOTIABANK

Of additional note is the Latin American immigrant population in Canada. While none of the Latin American countries rank on the list of top 10 countries of origin, as a region in 2011, Latin America ranks fourth after India for Permanent Residents, second after the United States for foreign workers, and fourth after Korea for international students (see Figure 4).

Immigration to Canada is on a general upward trend. Ontario, Quebec, and BC are still the main landing provinces, with their largest cities—Toronto, Montreal, and Vancouver, respectively—taking in the lion’s share of the immigrants, roughly 60 per cent combined. However, this trend is beginning to shift. Manitoba and Alberta are seeing growing proportions in the intake of immigrants as Ontario’s and BC’s proportions are dropping (Figure 5).

FIGURE 5
Permanent Residents by Provinces and Territories, 2002-2011

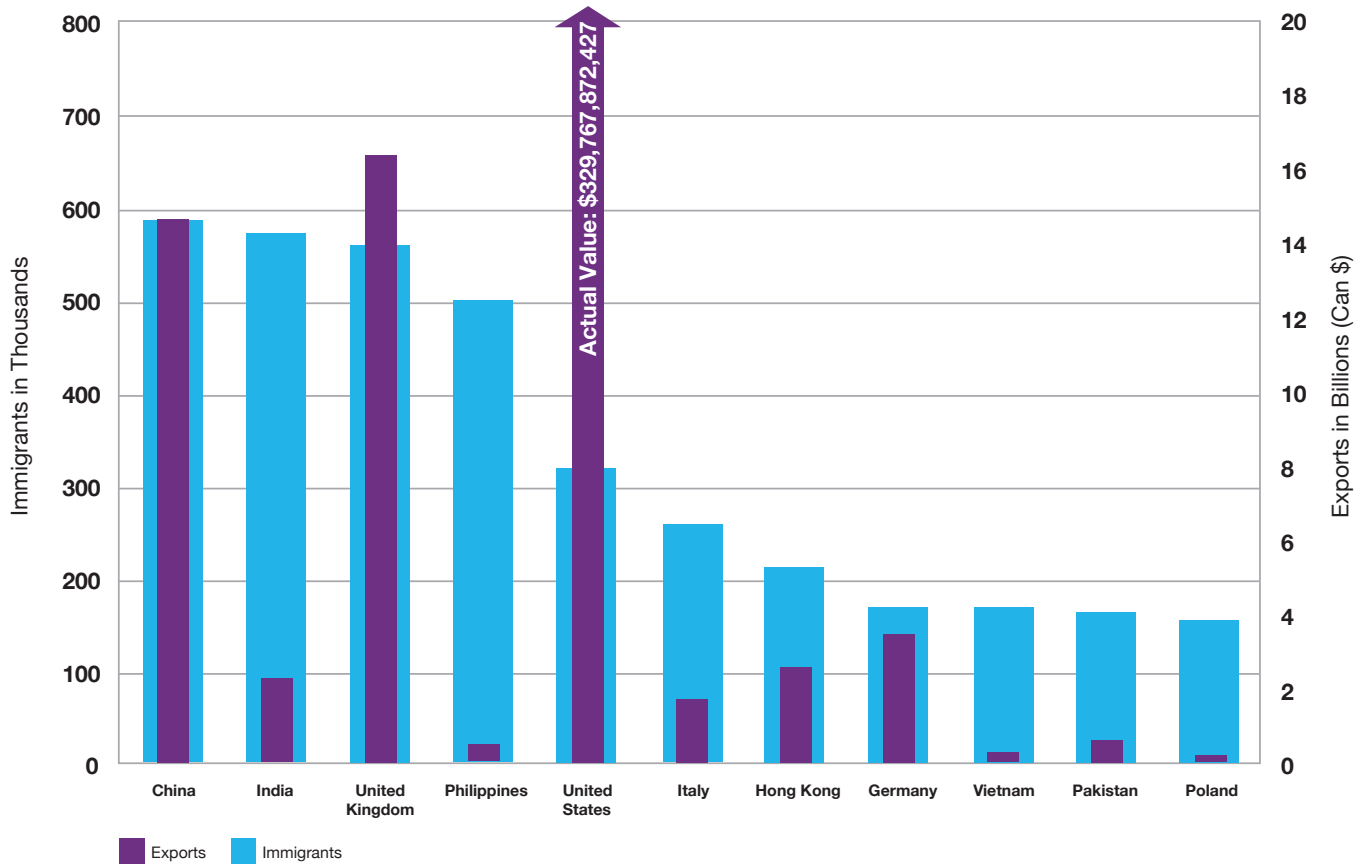


SOURCE: CITIZENSHIP AND IMMIGRATION CANADA, 2013A

Immigrants and Trade in Canada

One of the key drivers for this paper has been the apparent lack of correlation between Canada’s immigrant and trade performance. Figure 6 shows the top nine source countries of Canada’s immigrant population, in blue, against the country’s exports to those countries, in purple in 2011. Almost 75 per cent of exports from Canada are to the United States, \$330 billion in 2011.

FIGURE 6
Immigrants in, and Exports from Canada, 2011



SOURCE: STATISTICS CANADA, 2013; INDUSTRY CANADA, N.D.

Immigrants: A Worldwide Comparison

With a foreign born population of over 21 per cent, Canada ranks 5th in the world in absolute numbers of immigrants (Figure 7) and 12th in migrants as a percentage of its population (among countries with more than one million immigrants; Figure 8). Among equivalent jurisdictions, Canada is comparable to Australia, and with its growing proportion, looks likely to overtake Australia in a few years. Additionally, in comparison to the United States, which has the largest immigrant population in terms of sheer numbers, Canada has a higher percentage of immigrants per capita.

FIGURE 7
Top 5 Countries with Largest Immigrant Stock

	2005		2010	
Country	Total	% Pop	Total	% Pop
United States	39,266,451	13.29	42,813,281	13.84
Russian Federation	12,079,626	8.44	12,270,388	8.62
Germany	10,597,895	12.85	10,758,061	13.16
Saudi Arabia	6,336,666	26.36	7,288,900	26.56
Canada	6,304,024	19.51	7,202,340	21.10

SOURCE: WORLD BANK, N.D.

FIGURE 8
Top 20 Countries with International Migrant Stock over 1 million, by Percentage of Total Population

	2005		2010	
Country	Total	% Pop	Total	% Pop
Kuwait	1,869,665	82.58	2,097,527	76.64
Qatar	712,861	86.83	1,305,428	74.22
West Bank and Gaza	1,660,576	50.01	1,923,808	50.48
Jordan	2,345,235	43.34	2,972,983	49.16
United Arab Emirates	2,863,027	70.36	3,293,264	43.84
Hong Kong SAR, China	2,721,139	39.94	2,741,800	38.79
Singapore	1,493,976	35.02	1,966,865	38.74
Israel	2,661,261	38.40	2,940,494	38.57
Saudi Arabia	6,336,666	26.36	7,288,900	26.56
Switzerland	1,659,686	22.32	1,762,797	22.53
Australia	4,335,846	21.26	4,711,490	21.35
Canada	6,304,024	19.51	7,202,340	21.10
Kazakhstan	2,973,574	19.63	3,079,491	18.87
Austria	1,156,264	14.05	1,310,218	15.62
Sweden	1,112,917	12.33	1,306,020	13.93
Spain	4,607,936	10.62	6,377,524	13.84
United States	39,266,451	13.29	42,813,281	13.84
Germany	10,597,895	12.85	10,758,061	13.16
Cote d'Ivoire	2,371,277	13.16	2,406,713	12.19
Belarus	1,106,857	11.45	1,090,378	11.49

SOURCE: WORLD BANK, N.D.

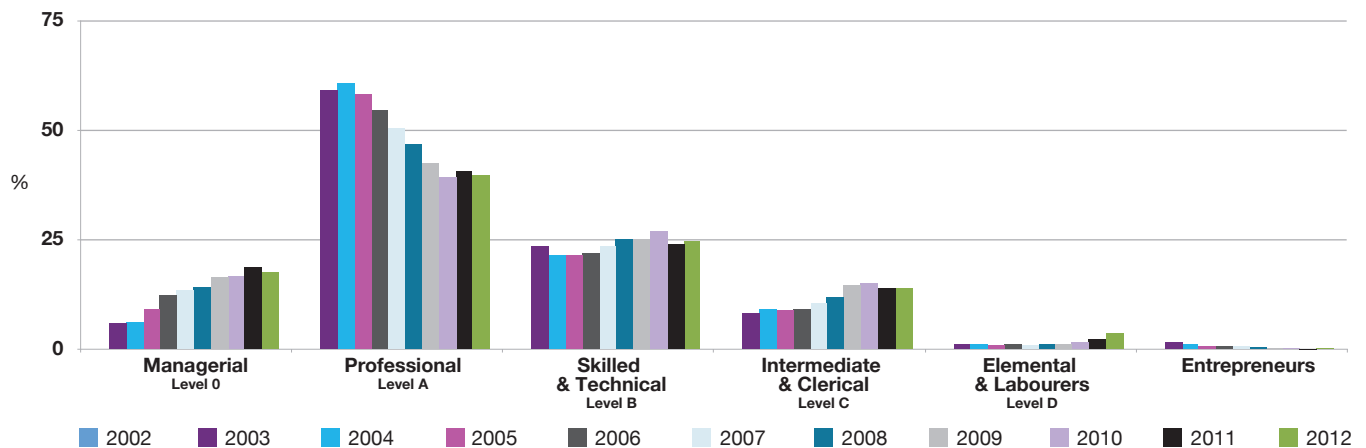
Characteristics of Permanent Residents in Canada

In measuring the trade potential of diaspora networks in Canada, the nature of the immigrants that the country is receiving is of considerable relevance. Diasporas do not consist solely of immigrants; not all immigrants constitute diasporas.

Another option is to look at Canada's labour market breakdown by immigrant status, language (non-official mother tongue), and visible minority. Again, these "diaspora characteristics" are imperfect ways of indicating the presence of diaspora networks in the labour force.

Figure 9 shows permanent residents classified by labour market intention as a proportion of those intending to work. Annual totals do not always add up to 100 due to rounding.

FIGURE 9
Labour Market Intention of Permanent Residents Intending to Work, 2002-2011

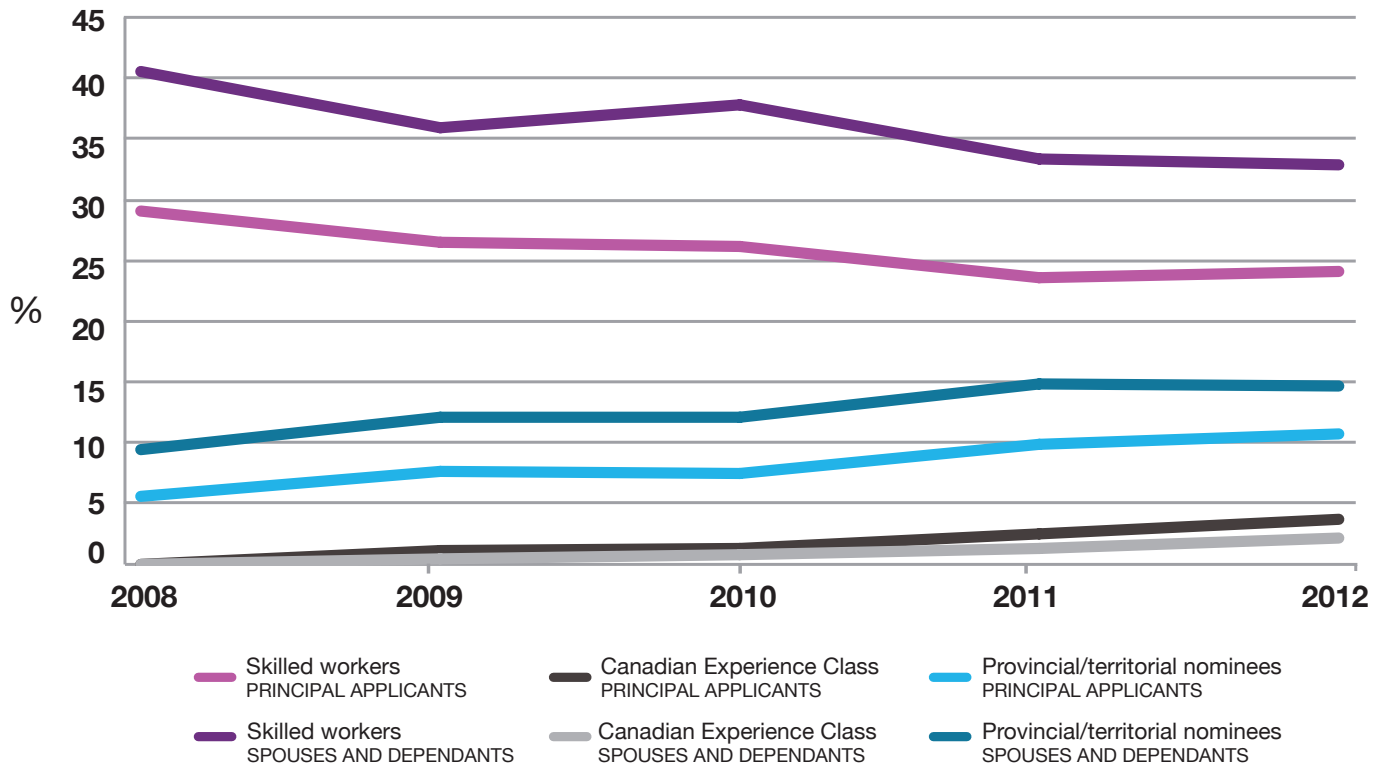


SOURCE: CITIZENSHIP AND IMMIGRATION CANADA, 2013B

The trend indicates that permanent residents who immigrate to Canada with the intention to work mostly enter at the professional skill level, which includes the business and finance, natural and applied sciences, health, social sciences, education, government services and religion, and art and culture sectors. But this trend appears to be on the downward slide in the past 10 years. There is an increase in immigrants at the managerial skill level, which includes both senior and middle management in most of the above-mentioned sectors. There is also a subtler increase in the levels of the skilled and technical, and intermediate and clerical categories, however these are not as substantial. The other trend of interest is the sustained decrease in entrepreneurial intentions.

Most immigrants to Canada enter through the economic category, meaning they are selected for their skills and ability to contribute to Canada's economy. From 2008 to 2012, 60 to 67 per cent of all immigrants entered through this category.⁶³ Figures 10 and 11 break down the categories within the economic immigrant category.

FIGURE 10
Economic Immigrants By Category, 2008-2012



SOURCE: CITIZENSHIP AND IMMIGRATION CANADA, 2013B

The large majority of economic immigrants are further classed as skilled workers: principal applicants and their spouses and dependants. Over the past 5 years, immigrants under this category have been decreasing, while immigrants under the Canadian experience and the provincial and territorial nominee classes have been rising. Both of the programs are relatively new, and prioritize immigrants who are already in the country or who have extensive experience living in Canada, so this increase is not unexpected.

The number of immigrants under the entrepreneur class has always been a small, but the data shows that the popularity of this class has been dropping steadily, from 0.3 per cent (principal applicant) in 2008 to 0.08 per cent in 2012. The numbers of investors has dipped as well, but not as drastically.

FIGURE 11
Economic Immigrants By Category, 2008-2012

	2008		2009		2010		2011		2012	
Category	Total	% Immigrants	Total	% Immigrants	Total	% Immigrants	Total	% Immigrants	Total	% Immigrants
Skilled workers PRINCIPAL APPLICANTS	43,360	29.09%	40,733	26.54%	48,820	26.12%	36,778	23.56%	38,577	24.02%
Skilled workers SPOUSES AND DEPENDANTS	60,372	40.50%	55,221	35.98%	70,537	37.74%	52,007	33.31%	52,790	32.87%
Entrepreneurs PRINCIPAL APPLICANTS	446	0.30%	370	0.24%	291	0.16%	184	0.12%	127	0.08%
Entrepreneurs SPOUSES AND DEPENDANTS	1,255	0.84%	943	0.61%	796	0.43%	522	0.33%	351	0.22%
Self-employed PRINCIPAL APPLICANTS	164	0.11%	182	0.12%	174	0.09%	113	0.07%	89	0.06%
Self-employed SPOUSES AND DEPENDANTS	341	0.23%	360	0.23%	326	0.17%	236	0.15%	153	0.10%
Investors PRINCIPAL APPLICANTS	2,832	1.90%	2,871	1.87%	3,223	1.72%	2,980	1.91%	2,615	1.63%
Investors SPOUSES AND DEPENDANTS	7,370	4.94%	7,432	4.84%	8,492	4.54%	7,606	4.87%	6,734	4.19%
Canadian Experience Class PRINCIPAL APPLICANTS	0	0.00%	1,775	1.16%	2,533	1.36%	3,973	2.54%	5,939	3.70%
Canadian Experience Class SPOUSES AND DEPENDANTS	0	0.00%	770	0.50%	1,384	0.74%	2,054	1.32%	3,414	2.13%
Provincial/territorial nominees PRINCIPAL APPLICANTS	8,343	5.60%	11,800	7.69%	13,856	7.41%	15,296	9.80%	17,177	10.69%
Provincial/territorial nominees SPOUSES AND DEPENDANTS	14,075	9.44%	18,579	12.10%	22,574	12.08%	23,122	14.81%	23,652	14.73%
Live-in caregivers PRINCIPAL APPLICANTS	6,157	4.13%	6,273	4.09%	7,664	4.10%	5,033	3.22%	3,684	2.29%
Live-in caregivers SPOUSES AND DEPENDANTS	4,354	2.92%	6,182	4.03%	6,247	3.34%	6,214	3.98%	5,315	3.31%
Economic immigrants	149,069		153,491		186,917		156,118		160,617	

SOURCE: CITIZENSHIP AND IMMIGRATION CANADA, 2013B

Languages

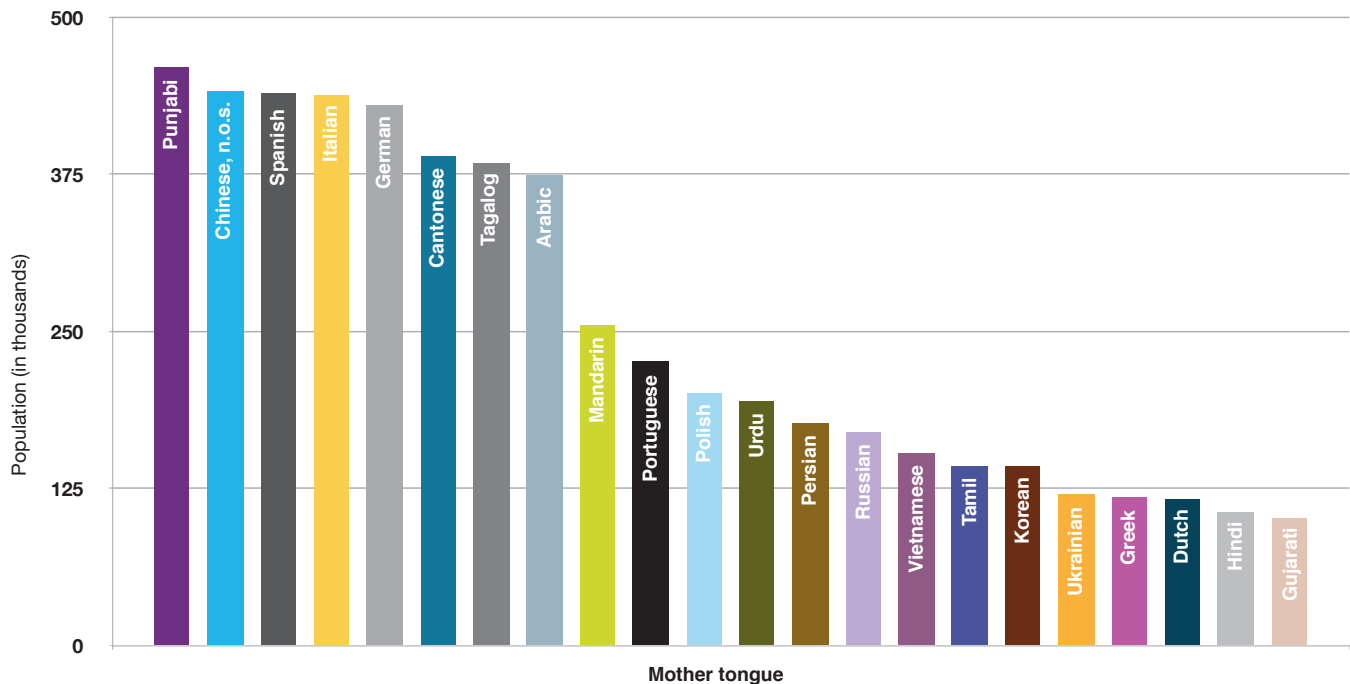
According to Figure 12, 22 languages other than English, French, or Aboriginal languages are spoken by more than 100,000 persons in Canada.

This spread of languages shows that Canada's immigrants are from a diversity of non-English or French speaking countries. It also indicates that the immigrants' descendants continue to speak the language of their predecessors. The retention of non-official languages in the population signals an ongoing connection between the Canadian-born children of immigrants and their ancestral countries and cultures, indicating the presence of diaspora networks.

It should be noted that "Chinese, n.o.s." refers to a Chinese language that is not otherwise specified. As such, Cantonese and Mandarin numbers may be underestimated, and may in actuality surpass Punjabi as the most common mother tongue in this series.

FIGURE 12

Population with Mother Tongue other than English, French, or Aboriginal languages, reported by more than 100,000 persons, Canada, 2011



SOURCE: STATISTICS CANADA, 2013

International Students

The number of international students in Canada was 265,377 at the end of 2012, with an average increase of 10.6 per cent every year since 2009 (prior to 2009, the average annual increase of international students in Canada was merely 2.84 per cent from 2002 to 2008, showing that Canada has only recently significantly increased its intake of international students).

Canada ranks 8th in the world for international students at the tertiary level,⁶⁴ after the United States, the United Kingdom, Australia, France, Germany, the Russian Federation, and Japan (see Figure 13).

FIGURE 13
Foreign Students at Tertiary Level, 2009

	2009
Country	
United States	660,581
United Kingdom	368,968
Australia	257,637
France	249,143
Germany	197,895
Russian Federation	136,791
Japan	131,599
Canada	92,881

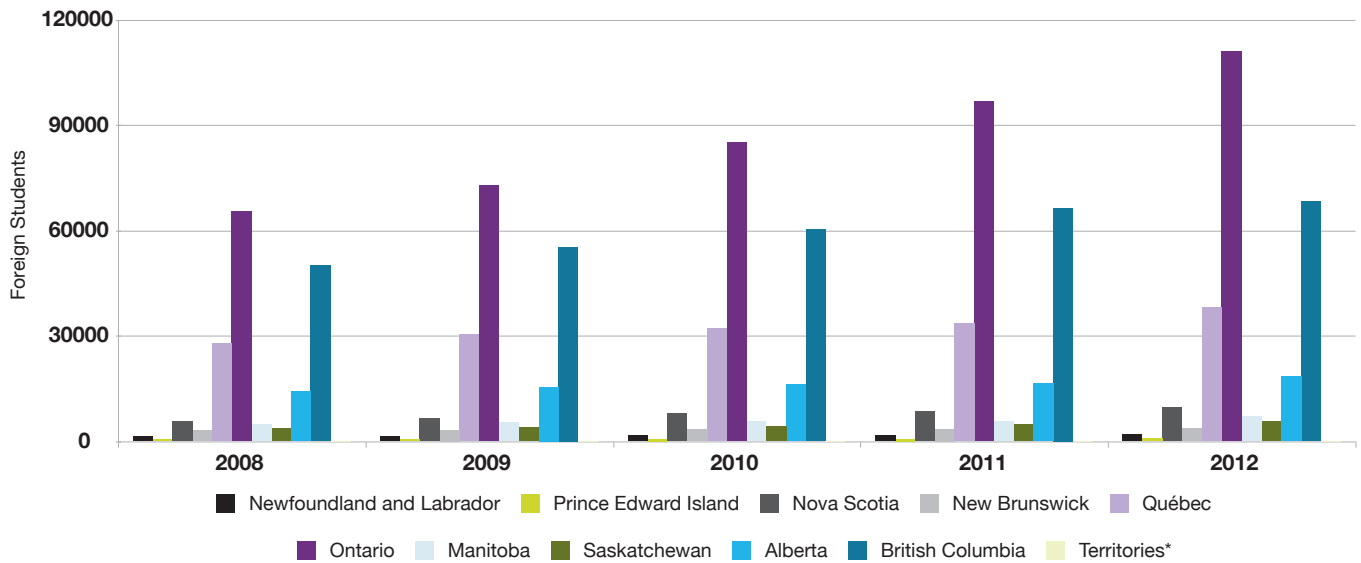
SOURCE: WORLD BANK N.D.

The economic impact of international education has been well-documented. In Canada, it has been determined that international students generated more than \$291 million in government revenue in 2008.⁶⁵ In that year, international students spent more than \$6.5 billion on tuition, accommodation, and discretionary spending, greater than the country's export of coniferous lumber (\$5.1 billion) as well as coal (\$6.07 billion) to all other countries. In addition, international students created over 83,000 jobs.⁶⁶

The total expenditure of long-term students (staying for a minimum of six months) was \$5.5 billion, translating to almost \$4.1 billion in GDP contribution to the Canadian economy. Not included in this calculation are short-term foreign students, mostly in language training programs, who also contribute a substantial amount to the Canadian economy.⁶⁷

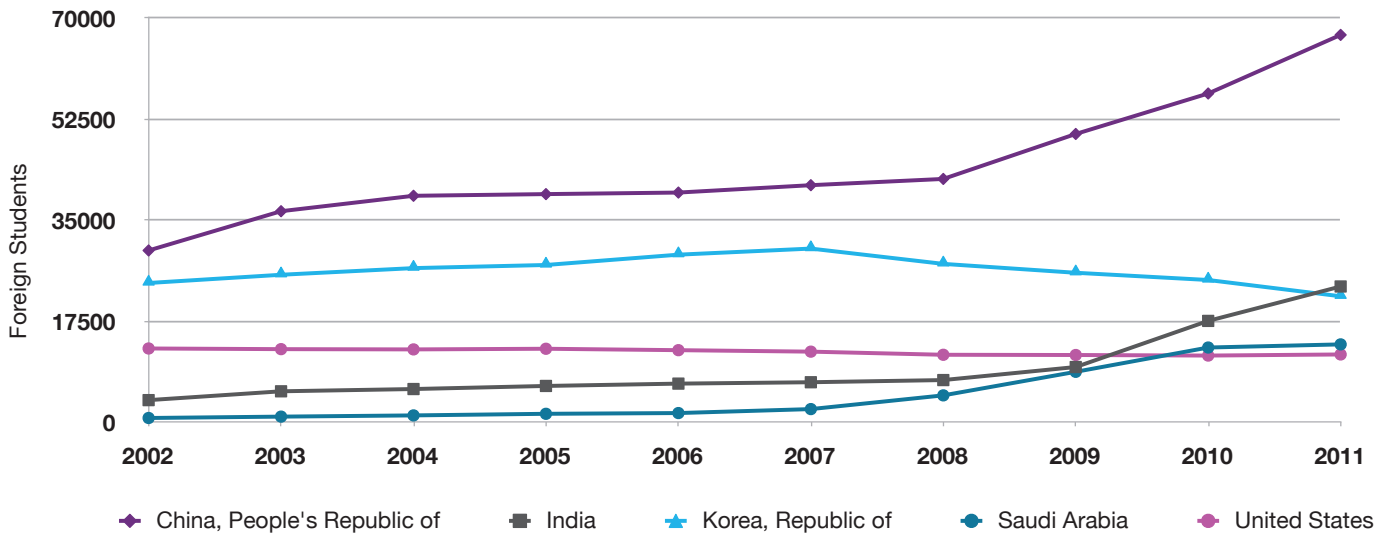
The large majority of foreign students in Canada are in Ontario, BC, and Quebec, respectively (Figure 14). This coincides with the largest cities (Toronto, Vancouver, and Montreal), as well as with the numbers of tertiary institutes (universities and colleges) situated in these three provinces. Numbers are on a general upward trend in all provinces, although the proportion of foreign students in Ontario is growing while the growth in BC has slowed down in the past five years. Growth in provinces such as Alberta could certainly be increased to help address population and labour challenges.

FIGURE 14
Foreign Students present on December 1st, 2012 by Province and Territory, 2008-2012



SOURCE: CITIZENSHIP AND IMMIGRATION CANADA, 2013B

The top five source countries for foreign students in Canada are, in decreasing order of actual numbers in 2011, China, India, South Korea, Saudi Arabia, and the United States (Figure 15). The largest increases are from India and Saudi Arabia, while the number of students from South Korea and the United States has been decreasing over the past decade (China, South Korea, and the United States having been the top sources of foreign students in the previous years).

FIGURE 15**Foreign Students present on December 1st, 2011 by Top 5 Source Countries**

SOURCE: CITIZENSHIP AND IMMIGRATION CANADA, 2013A

Endnotes

- 1 Asia Pacific Foundation of Canada, n.d.
- 2 Siemiatycki, 2010
- 3 Sridhar, 2011
- 4 Medow, 2012
- 5 Saxenian, 2002; Mahroum and de Guchteniere, 2006
- 6 Sources: UNESCO Institute for Statistics, 2009; Statistics Canada, 2013
- 7 Sources: Yssaad, 2012; Citizenship and Immigration Canada, 2013b; Statistics Canada, n.d.
- 8 Faist, 2008; Chand, 2010; Downie, 2010; Hatzigeorgiou, 2010; Kapur, 2010; etc.
- 9 Saxenian, 2002
- 10 Flisi and Murat, 2011
- 11 Head and Ries, 1998. Also, Michelle Downie used different measurement formulae and found similar trends: a 1 per cent increase in immigrants saw a 0.11 per cent increase of exports, and 1 per cent increase in immigrants from a specific country led to a 0.21 per cent increase in the value of imports from that country. See Downie, 2010.
- 12 Downie, 2010
- 13 Wadhwa, et al., 2007
- 14 Partnership for a New American Economy, 2011
- 15 Lin, et al., 2008
- 16 FOCAL, 2005
- 17 Canadian International Development Platform, n.d.
- 18 Russell, 1992; Ratha, 2005
- 19 Houle and Schellenberg, 2008
- 20 *ibid*
- 21 Statistics Canada, 2009
- 22 Plewes, 2008

- 23 Statistics Canada, 2009
- 24 Newland, et al., 2010
- 25 Trade intensity is the ratio of exports and import to GDP
- 26 Prepared from World Bank, n.d.
- 27 Hall, 2012
- 28 Saxenian, 2002
- 29 Kuznetsov, 2006; Kapur 2010
- 30 Rauch, 2001
- 31 The Economist, 2010, 2011a, 2011b; Hatzigeorgiou, 2010; Leblang, 2010; Flisi and Murat, 2011
- 32 E.g. Chand and Tung, 2011
- 33 Chand, 2010; Smallbone, 2010
- 34 See also Greenspon, 2010
- 35 The Economist, 2012, 2011a, 2011b
- 36 The Economist, 2011b
- 37 Stiglitz and Walsh, 2006
- 38 Putnam, 1993
- 39 Kapur and McHale, 2005b
- 40 Saxenian, 2002
- 41 UNESCO Institute for Statistics, 2009
- 42 Citizenship and Immigration Canada, 2013b; also note that while there is no consistent breakdown international students by level of study, about 54 per cent of the foreign students in Canada in 2008 were enrolled at the University level. See Kunin and Associates, 2009.
- 43 Kapur and McHale, 2005a
- 44 See Citizenship and Immigration Canada, n.d.
- 45 Expert Roundtable on Immigration, 2012
- 46 Agrawal, et al., 2006; Lin, et al., 2008

47 A national, not-for-profit research organization. See <http://www.mitacs.ca/http://www.mitacs.ca/>

48 Kunin and Associates, 2009

49 Expert Roundtable on Immigration, 2012

50 An Act to Amend the Immigration and Refugee Protection Act, 2011

51 See Goldfarb, 2013

52 Picot and Sweetman, 2012

53 See Alboim, et al., 2005; Alexander, et al., 2012; Elgersma, 2012; Smolkin, 2013

54 Siemiatycki, 2010

55 Sridhar, 2011

56 Medow, 2012

57 Asia Pacific Foundation of Canada, n.d.

58 For more information, see Statistics Canada, 2013

59 Dade and Unheim, 2007

60 Statistics Canada, 2010

61 Statistics Canada, 2012

62 Statistics Canada, 2013

63 Citizenship and Immigration Canada, 2013b

64 UNESCO Institute for Statistics, 2009

65 Kunin and Associates, 2009

66 *ibid*

67 *ibid*

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http://www.cic.gc.ca/english/immigrate/business/start-up/index.asp?utm_source=slash-startup&utm_medium=short-url&utm_campaign=generic.

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