



# Nurturing Global Leaders – Boosting Canada’s Competitiveness

*The case for young Canadians studying abroad*

**Submission to the House of Commons Standing Committee on  
Finance for 2019 Pre-Budget Consultations**

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Canadian Bureau for  
International Education

## Nurturing Global Leaders – Boosting Canada's Competitiveness

### *The case for young Canadians studying abroad*

The rising threats of tariffs to Canadian businesses coupled with the spectre of an all-out global trade war are ominous developments for a trade-dependent country like Canada. This growing uncertainty and instability underscores the imperative for Canada to strengthen its competitiveness, invest in innovation and pursue opportunities in non-traditional markets.

Expanding Canada's international networks also holds the key to identifying joint solutions to global challenges—from climate change and nuclear disarmament to disruptive migration patterns, gender discrimination and socio-economic disparities.

Few avenues hold greater promise in multiplying our export markets and broadening our international partnerships than fully utilizing Canada's human capital to build strong economic, social and cultural bonds with other nations. Few Canadians are better positioned to capitalize on these opportunities than our youth, already members of the most diverse cohort in our country's history and accustomed to living in a multicultural society in an increasingly globally connected world.

Despite this constellation of factors driving the need for action, Canada faces serious challenges in encouraging and enabling students to take advantage of study abroad experiences and preparing them to become global-ready graduates. Our country lags behind major trade competitors who are investing heavily in international study initiatives and reaping the rewards of new networks and economic opportunities in Africa, Asia, Europe and the Middle East. For instance, more than 30% of German students go abroad during their studies and efforts are underway to increase that to 50%, one of the most ambitious targets in the European Union.

Although 97% of Canadian universities offer international experiences, the 3.1% global education participation rate of undergraduate Canadian students is paltry

The Canadian Bureau for International Education (CBIE) is Canada's global education organization, engaging its 150 member universities, colleges, institutes, polytechnics, cégeps and K-12 school boards in building Canada's capacity to contribute to and participate fully in the world through educational connections. Central to CBIE's mandate is developing Canada's young leaders through [learning abroad](#) experiences. We strive to promote global citizenship among Canadian high schools and post-secondary institutions and create awareness about the importance of educational access, understanding the power of education to connect communities.

## Great for students

There is mounting evidence that the knowledge, skills and attitudes garnered while learning abroad have lasting economic benefits for students. An impact study of Erasmus, the European Union's longstanding learning abroad program, found:

- Studying abroad reduced long-term unemployment by half (2% vs. 4%)
- Five years after graduation the unemployment rate among global students was 23% lower
- 10 years after graduation they were 44% more likely to be employed in managerial positions

(European Commission, 2014)

A similar study by the United Kingdom Higher Education International Unit compared the academic attainment and employment outcomes of mobile and non-mobile undergraduate students and found that, six months after graduation, students who spent time abroad had:

- Lower unemployment rates (5% vs. 7%)
- Higher average salaries (£21,349 vs. £20,519)
- Higher academic scores (81% vs. 72%)
- Higher employment rates within one of the top three socio-economic classifications (74.8% vs. 67.1%)

(UK HE International Unit, 2016)

relative to other developed countries<sup>1</sup>. The number of high school students participating in these activities is equally dismal.

Canada cannot afford to fall further behind or our society will pay a steep price. This was underscored in *Global Education for Canadians - Equipping Young Canadians to Succeed at Home and Abroad*<sup>2</sup>, the recent research report produced by the Study Group on Global Education (The Centre for International Policy Studies and the Munk School of Global Affairs), which warned that Canada ignores this issue at its economic peril.

The report underlined that Canada's future prospects are increasingly shaped by global, fast-moving, interconnected forces. To understand these challenges, we need a workforce with knowledge of other countries, cultures and languages, and an ability to establish partnerships and work in teams with people from around the world. While that has long been true, action on international learning has never been more pressing.

*Global Education for Canadians* highlighted that emerging countries play an ever-larger role in world affairs and that relationships with those countries and their people are increasingly important to Canada's ongoing prosperity and international influence. Learning abroad also enriches Canadian educational institutions' connections to global research networks that are vital to innovation and job creation.

Equally important, international learning reinforces the values of openness and inclusion that are the hallmark of Canada's success as a

<sup>1</sup> <http://aucc.ca/universities/facts-and-stats/>

<sup>2</sup> <http://goglobalcanada.ca/>

diverse society. These are particularly important in light of rising xenophobia and intolerance sweeping the world; one of the best ways to preserve and leverage our comparative advantage in this area is by ensuring a strong cadre of our future leaders benefit from international learning experiences. There is clear evidence that students who study abroad report that their experiences positively shape their attitudes while honing their adaptability and skills.

Moreover, the chance to study overseas helps bridge the socio-economic gap that often keeps students from low- and middle-income families from achieving their full potential. There is strong evidence that educational mobility produces the greatest benefits among students from less-advantaged backgrounds.

The Study Group's conclusion: absent a carefully crafted and adequately funded pan-Canadian strategy to expand international learning opportunities for our youth, we risk falling further behind our international peers. The consequences of inaction will be felt for generations.

### **Champion of change**

CBIE fully embraces the Study Group's recommendations. They are consistent with our own conclusions that learning abroad is a prerequisite to both individuals' success and Canada's future fortunes. More than a luxury for the lucky elites, global education presents a significant value proposition for young Canadians and our country as a whole. Outward mobility enhances students' personal development, makes them more attractive to prospective employers because of their enhanced intercultural competence and business networks, and improves the productivity and competitiveness of Canadian businesses.

The emergence of this high national priority and the consensus for action are mirrored in the ideas shared at the spring 2018 "Univation<sup>3</sup>" national innovation

#### **Crucial for businesses**

A 2014 survey of small and medium businesses from a broad range of industry sectors across Canada revealed that:

- 82% believe employees with intercultural and global marketplace knowledge enhance their company's competitiveness
- 72% stated that recruits with intercultural and international experiences perform better than graduates without
- 2 out of 3 hiring managers said Canada is at risk of being overtaken by dynamic economies like China, India and Brazil unless young Canadians learn to think more globally

(Léger: The Research Intelligence Group, employer survey for Universities Canada, 2014).

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<sup>3</sup> <https://www.univcan.ca/media-room/events/univation/univation-highlights/>

*"Companies are facing unprecedented competition and disruption. They either adapt or they die. The 2018 Business Council of Canada Skills Survey clearly points to the importance of a diverse workforce that's well-equipped with the human skills required to succeed in this rapidly changing economy."*

Stephen Liptrap, President and CEO  
Morneau Shepell

*"Businesses today operate in a highly complex, rapidly changing environment. The survey shows that Canadian companies are stepping up their efforts to hire graduates with a high level of technical capabilities as well as strong human skills such as the ability to collaborate and work in teams."*

The Honourable John Manley  
President and CEO

forum hosted by Universities Canada and the Rideau Hall Foundation<sup>4</sup>. The forum brought students together with leaders from government, business and civil society to explore how best to prepare Canada's young people for the global future. Providing innovative education and experiential learning programs both at home and abroad was a key recommendation, part of a concerted effort to remove barriers to inclusion, and increase collaboration across all educational and business sectors.

CBIE believes that, given geo-political and trade realities, Canada urgently needs to cultivate students with open minds and global competencies that can help to advance Canada's diplomatic and trade relationships abroad. Canada's capacity to be a world-leading centre for innovation also depends on ensuring that young people are equipped with the knowledge, skills and access to global networks they need to succeed in the 21st Century economy.

The next generation of private and public-sector Canadian leaders will require international experience, intercultural understanding and skills to excel in tomorrow's inter-connected and interdependent world. That will require coordinated action – and strategic investments – across all sectors, including the federal government.

Nothing short of implementing the comprehensive recommendations put forward in *Global Education for Canadians* will make this progress possible. CBIE particularly endorses the report's ambitious goal of a national target of one-quarter of all Canadian post-secondary students going abroad for learning experiences within a decade. Policy makers have a critical role to play in ensuring that happens.

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<sup>4</sup> <https://www.univcan.ca/wp-content/uploads/2018/04/study-on-experiential-learning-pathways-to-employment-for-cdn-youth-submission-march-2018.pdf>

## Bringing down barriers to studying across borders

Business as usual is not an option. We need strategic and catalytic action: Canadians need to be prepared to participate and contribute as global citizens, working across borders, cultures, languages and values to mutual benefit. Canadian students need support to overcome obstacles to international learning. The biggest hurdle is funding.

A CBIE survey of 7,000+ Canadian students revealed that 86% of respondents are interested in a learning abroad experience but 80% would require financial assistance to do so. Making learning abroad financially feasible for Canadian students from all socio-economic backgrounds is key.

CBIE is convinced that the path forward is operationalizing a comprehensive, outbound mobility program with a strategic focus on regions of interest to Canada. To buttress this effort, CBIE is calling for an initial federal investment of \$10 million in a five-year program allowing students from high school, colleges and universities to take advantage of international learning programs.

To start, CBIE recommends the Government of Canada support a minimum of 100 opportunities per region, per year, over five years to help finance studying abroad for academic credit (a maximum of \$5,000/student) in key regions of interest.

*All* Canadian students – across the country and the entire spectrum of education – should have access to these funds and opportunities.

Funding should not be exclusively for post-secondary students, as it is often too late for individuals at this stage on their education path to make the necessary personal arrangements or pull together required financial resources. CBIE strongly recommends that funding be made available for K-12 and beyond.

### **Action NOW**

CBIE has provided yearly submissions to Parliamentary committees making the case for global learning, as have many non-governmental partners including Universities Canada and Colleges and Institutes Canada. Similarly, national and regional business

### **Global competitors ahead of the pack**

**US** – 100,000 Strong Initiatives with China and the Americas and Generation Study Abroad

**EU** – The 25 year-old Erasmus Program has supported learning abroad for 3 million+ students

**UK** – The UK Outward Mobility Strategy is an integral element of its Global Growth and Prosperity plan

**Mexico** – Proyecta 100.000 and Proyecta 10.000 are designed to deepen ties with the US and Canada

**Australia** – The New Colombo Plan is supporting 17,500 students to study or undertake work placements in 34 countries across the IndoPacific

organizations have frequently sounded the alarm regarding the dearth of outward-looking and internationally educated Canadian graduates with the skills and experience needed in today's competitive marketplace to advance their global growth strategies.

The time for talk is long past; action is crucial if Canada is to not only maintain Canadians' high standard of living but also ensure that our country thrives socially, culturally and economically for decades to come.

This is a race Canada cannot afford to lose. Our competitors do not yet have an insurmountable lead, but they soon will if we fail to act. Canada must move decisively in nurturing global leaders who hold the key to our country's continued competitiveness, prosperity and social cohesion.