

The House of Commons Standing Committee on International Trade

Brief Submission by: The Forum for International Trade Training (FITT)

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**Introduction:** The Forum for International Trade Training (FITT) is Canada's national standards, certification, accreditation and training body focused on building the competencies of Canadian businesses and trade professionals to compete in global markets. For over 25 years FITT's core purpose has been, and remains, building international trade competence through the following activities:

- Set industry-defined international trade competency and training standards
- Maintain a one-of-a-kind certification system for international business practitioners – the Certified International Trade Professional (CITP) designation
- Accredite international business programs at over 45 post-secondary educational institutions that meet the national standards of excellence
- Develop knowledge-based resources and curricula
- Enable trade practitioners to gain the competence, skills and confidence needed to succeed in global markets
- Lead the evolution, maturation and growth of the international trade profession through the CITP designation for trade practitioners

Further to the above, FITT recently partnered with Export Development Canada to increase our scope, capacity and reach in helping Canadian businesses expand internationally; and, many of Canada's Trade Commissioners have undertaken the FITTskills international business training, and achieved their Certified International Trade Professional designation.

Canada is a trading nation but the country per se does not "trade". Our trade performance is the collective result of what businesses and their staff do - one business at a time, one relationship at a time, one transaction at a time. Regardless of the number of trade agreements Canada negotiates, if a business does not have trade capable people who understand the international environment and can perform comfortably and confidently within it, that business will not be able to take full advantage of the opportunities created by trade agreements, or government trade support programs. Equipping the Canadian workforce and its companies with essential international trade knowledge, skills and abilities is vital to ensuring SMEs can capitalize on the opportunities that new markets and new trade agreements create.

FITT is encouraged by Canada's Export Diversification Strategy to help more companies explore new markets. If the Government seeks to increase exports by 50% by 2025, our companies need to be better, smarter and faster, especially against new emerging trade challenges. It comes down to the competitiveness of individual businesses. If we want better results, we need to invest in people who can produce the results. The Government of Canada has a strong role to play to help ensure Canadian business have the capacity to effectively compete in the transitioning world economy.

**Canadian Businesses Need Export Competence:** The issue of international business competence, or lack thereof, is based on a 2013 Employment and Social Development Canada study that identified: 1) a

shortfall in international trade practitioners in Canada; and, 2) an education shortfall in the skills and capacity of Canadian enterprises to be high performers in international trade.

Equipping the Canadian workforce and its companies with essential international trade knowledge, skills and abilities is vital to ensuring the global competitiveness of Canadian enterprises. Trade capable and trade competent people are a necessary ingredient for companies to take advantage of global opportunities, and minimize the risks. International trade professionals who work for exporting companies play a strategic role for those businesses. They make, or support, decisions that affect the ways that the company invests, how it grows, and how it competes. These trade professionals drive growth, success and profits. Without those skilled individuals and their knowledge and talents, internationally oriented SMEs will underperform.

To assure global success, SMEs must actively build adequately trained and equipped talent into their international trade related job functions. This includes positions such as business development, global marketing, logistics, sales, market research, finance, supply chains, personnel growth, etc. In effect, SMEs need to have an internationally astute trade team supporting their efforts, whether in-house employees, outsourced support services, or government and private sector trade advisors. Without it, their chances of success fall significantly.

A renewed vision of trade must build and/or boost international trade competence to ensure SMEs can invest in upskilling employees taking on new international business functions. This way SMEs will be export ready, able to capitalize on international opportunities, have the know-how to mitigate their risks, and be equipped to support their long-term sustainability and growth in global markets.

### **Recommendations:**

1. **Invest in International Trade Education and Training.** We need to educate our business people to not only engage in trade, but to train them to succeed internationally. Supporting the development of international business intelligence, as well as encouraging the development of skills and know-how, are two of the most important things Canada must do to drive our exports. This can be achieved through the following:
  - a) Build awareness of what international trade competencies are and why it matters
  - b) Incorporate international business talent development within the export support programs and services government offers SMEs
  - c) Support companies in assessing the trade competence of their workforce
  - d) Support companies in identifying their gaps in knowledge, skills and abilities to determine where training is required
  - e) Support workers to access relevant training and professional development opportunities to fill competency gaps
  - f) Work with educational providers, provincial education authorities, curriculum developers, and professional bodies, to instill knowledge of international trade and opportunities as early as possible in all undergraduate business post-secondary programs.
2. **Communicate the Benefits and Challenges of Free-Trade:** Encourage businesses to look beyond our borders to diversity their markets and understand the increasing importance of international trade to their long-term sustainability and growth, and to ready themselves to capitalize fully on global business opportunities.

By taking action, Canadian international trade practitioners will be equipped with the competencies, skills and knowledge they need to succeed in global markets. In turn, Canadian businesses will be more prepared than ever to reap the benefits of trading internationally.

If we don't take action, SMEs in Canada will suffer a slow yet inexorable decline as international traders.

**Emerging Occupations:** New occupational areas have emerged as Canadian businesses respond to the evolution of our country's international trade experience. The way workforce data is collected, analyzed and reported must be changed to account for the emergence and growth of these new occupational areas and to inform the policies, programs and initiatives taken to strengthen Canada's international trade workforce.

**Recommendations:**

3. **Update the 2013 *International Trade Workforce Strategy*.** The business community needs to know what skills are not only required today, but tomorrow to ensure long-term competitiveness. The Strategy requires a refresh so the Canadian economy is prepared for the next phase of international trade. Government at various levels; education and professional development bodies; and, business must be tasked to research future needs of Canada's international trade workforce.
4. **Revise the National Occupation Codes (NOC) on Occupational Profiles.** We need to establish national occupational profiles and standards for Canada's existing and emerging occupations that interlink to international trade. Our current occupational codes do not reflect the skills required in a global economy.

When we take action on the above, accurate and timely data on the international trade workforce in Canada will be available continually to enable business owners, educational professionals and policymakers to evaluate and analyze ongoing workforce dynamics to address continued occupational gaps.

If we don't take action, there will be a collective failure to prepare workers for the specialized occupations that are emerging in international trade. Canada simply cannot afford to let this happen. Being prepared to capitalize on the world of opportunities beyond our borders is vital to this country's economic future and success. Let's make it happen, now.