



## The “Pilot” for recruiting temporary foreign workers for low-skilled jobs should be abolished

### Recommendation

The Pilot Project for Occupations Requiring Lower Levels of Formal Training should be abolished. Those who are currently in Canada under this program should be granted permanent residence.

### Recommendation Details

The numbers of temporary foreign workers arriving under the “Pilot” has grown exponentially. In 2009, Canada welcomed more temporary workers than it did permanent residents to Canada.

*Temporary residents present on December 1st by yearly sub-status, CIC Facts and Figures	2002	2006	2009
<b>Temporary Foreign Workers</b>	<b>101,174</b>	<b>161,046</b>	<b>282,194</b>
Seasonal Agricultural Worker Program	18,588	21,257	23,437
Live-in-caregiver program	11,997	24,392	38,608
Low-Skill pilot program	1,580	4,957	38,255
Other Temporary Workers	69,009	110,440	181,894

While still a small component of the overall Temporary Foreign Worker program, the Pilot Project for Occupations Requiring Lower Levels of Formal Training, should be abolished, and those currently in Canada as part of that “Pilot” should be granted permanent residence for the following reasons:

*1. Temporary foreign workers in low or unskilled jobs are vulnerable to abuse*

While temporary foreign workers have the right to most of the same protections as other Canadians and permanent residents under provincial employment legislation, temporary foreign workers filling low or unskilled jobs are more vulnerable to abuse because of language barriers, lack of knowledge about their rights, limited access to agencies that can help them (especially when they are working in remote parts of Canada), and inadequate enforcement of employment legislation.

Some temporary foreign workers are subject to high fees charged by brokers in Canada and abroad, deductions from their pay cheque for services to which they will never have access, lower than promised wages, inadequate housing, misleading guarantees about immigration status, and unfulfilled promises of employer-paid travel to and from their country of origin.

*2. Temporary foreign workers don't know how, or find it difficult, to exercise their rights*

Temporary workers are under self-imposed pressure to “stick it out” no matter how bad the working conditions because their families rely on the remittances they send home. They cannot change employers easily because they are only eligible to work for the employer specified on their work permit.

*3. Temporary foreign workers are not eligible for settlement services*

Temporary workers are ineligible for federally-funded settlement services including language training, even though they may live and work in Canada for up to four years.

*4. Temporary foreign workers recruited through the “Pilot” are ineligible for permanent residence through the Canadian Experience Class*

In 2008 the federal government created the Canadian Experience Class. This new class of economic immigrants allows qualifying international students and highly skilled temporary workers to apply for permanent residence from within Canada. Applicants must meet language requirements and intend to live outside Quebec.

This Class excludes those who work in low-skilled occupations. Some Provincial Nominee Programs (these are programs which allow a province to select immigrants who intend to live in their province) offer an avenue to permanent residence for low-skilled workers. But these programs vary from province to province and are intended to address regional needs. They should not be used to fill a gap in federal immigration policy.

*5. The “Pilot” may lead to a growth in undocumented residents*

When a temporary foreign worker's visa expires, one of three things will happen: 1) their work permit may be extended for up to four years if they continue to be employed, but they will have no access to services and no possibility of family reunification; 2) the workers will leave when their visas expire, requiring employers to recruit and train other temporary workers to replace them; or 3) the workers will go underground and become undocumented and even more vulnerable. As more people go underground, Canada will face problems like many European countries experienced with their guest workers in the 1960's and 70's, and the United States with its undocumented population.

*6. The “Pilot” may discourage employers from improving wages and working conditions*

[Some economists](#) see the recruitment of low-skill temporary foreign workers as interfering with market forces which they believe would otherwise result in higher wages, better working conditions, investment in research and development, and the employment of unemployed permanent residents and citizens.

*7. Labour market forecasts do not provide a rationale for expanding temporary immigration to fill low-skilled jobs*

According to a [forecast](#) by HRSDC, “two thirds of all job openings over the period from 2006 to 2015 are expected to be in occupations usually requiring postsecondary education or in management.” Permanent jobs with low skill requirements could be filled by new entrants to the labour force, under-represented groups, and immigrants entering the country on a permanent basis, such as members of the family and refugee classes.

*8. The “Pilot” is no longer a pilot*

This Pilot Project for Occupations Requiring Lower Levels of Formal Training has been running and expanding for almost ten years, in the absence of any public consultation or evaluation. At the very least, the program should be put on hold until a thorough consultation and evaluation process has been undertaken.

## **Background**

The federal government’s Temporary Foreign Worker Program allows eligible foreign workers to work in Canada for an authorized period of time, provided that employers can demonstrate that they are unable to find suitable Canadians or permanent residents to fill the position. Temporary workers can arrive through the general foreign worker program or under a sector-specific program.

Generally, an employer must make a request to Human Resources and Skills Development Canada (Service Canada) for a labour market opinion that ensures, among other things, that the employer has made an attempt to hire Canadians or permanent residents, that the foreign worker will be paid the prevailing wage rate, and that the recruitment of a foreign worker does not affect a labour dispute. To obtain a labour market opinion, an employer must assume specific responsibilities depending on the occupational group. These include posting the opportunity in the national Job Bank and meeting other advertising requirements. Advertisements must clearly show the job duties, position requirements, wages and working conditions. While employers must offer the prevailing average wage for the position, they are not required to increase the wage they are offering, or to improve working conditions, to attract domestic applicants.

The Temporary Foreign Worker Program was intended to be a limited, controlled and selective program to meet specific labour market needs. The original emphasis was on the recruitment of workers in short supply for temporary, highly skilled jobs. There were also two sector-specific programs: one for live-in caregivers and one for seasonal agricultural workers. Although these programs have their flaws, they also each have their strengths: the Live-in-Caregiver Program allows caregivers to apply for permanent residence after two years in Canada, and the Seasonal Agricultural Worker’s Program is based on bilateral agreements with sending countries that help to protect workers and ensure that workers return to their country of origin after their work permit has expired.

In 2002, the federal government launched the Pilot Project for Occupations Requiring Lower Levels of Formal Training (National Occupation Classification C and D), also known as the “Low Skill Pilot Project.” This pilot project allows employers to recruit for positions that usually require only a high school diploma or on-the-job training. The jobs filled under this category are not necessarily temporary, but rather difficult to fill. They include, for example, positions in hotel cleaning, food services, and meat packing plants.

Effective April 2011, [regulatory changes](#) will come into effect that will enhance the scrutiny on the job offer and apply a two-year prohibition on employers who fail to meet their commitment to workers. The impact of these changes will need to be monitored closely. In the absence of increased proactive enforcement on the part of government employment standard officers, the detection of non-compliant employers is dependent on employee complaints. Temporary foreign workers are not likely to complain if the result is loss of employment, or loss of the work permit that allows them to support their families. In addition, the regulatory change will limit the length of time that a temporary foreign worker can stay in Canada. After four years, the worker must live outside of the country for four years before being granted another temporary work permit. While this is intended to prevent people from living in Canada with temporary status over long periods of time, it may in fact encourage some temporary workers to remain in the country without legal status.

## Discussion

Please visit [www.maytree.com/adjustingthebalance](http://www.maytree.com/adjustingthebalance) or email [policy@maytree.com](mailto:policy@maytree.com) to provide comments.

1. This paper suggests that the "Pilot" program to fill low-skilled jobs should be abolished. Do you agree? If not, how should the federal government address the issues highlighted in this paper?

## About the Discussion Paper Series

In July 2009, Naomi Alboim and Maytree released the paper, *Adjusting the Balance: Fixing Canada's Economic Immigration Policies*. It suggested that federal policy shifts had altered the landscape for economic immigration and that these shifts represented troubling trends that were unlikely to serve Canada well in the long term. For the paper, visit [maytree.com/policy-papers/adjusting-the-balance-fixing-canadas-economic-immigration-policies.html](http://maytree.com/policy-papers/adjusting-the-balance-fixing-canadas-economic-immigration-policies.html).

Since the report was published, the shifts identified have continued. Provincial nominee programs continue to grow rapidly, temporary workers continue to arrive in record numbers, and international students are still perceived as ideal immigrants despite research that suggest skilled workers perform better in the long run. In addition, the federal government has continued to place occupational requirements on the Federal Skilled Worker Program which limit the government's ability to recruit skilled workers with the human capital necessary to adapt to changing labour market needs.

This discussion paper is part of a series that provides updates and commentary on recent immigration policy developments, evaluating recent changes which relate to the recommendations presented in *Adjusting the Balance*. For the entire discussion paper series, visit [www.maytree.com/adjustingthebalance](http://www.maytree.com/adjustingthebalance).