To Extend, or Not to Extend?: The Case for Temporary Foreign Worker Settlement Services in Alberta

Rationale

In light of recent policy changes, this brief will provide an analysis of Canada’s Temporary Foreign Worker Program in Alberta, with special attention paid to the regional delivery of settlement and integration services for Temporary Foreign Workers (TFWs). The aim of this analysis is to outline key areas of interest and provide recommendations that will enhance TFW integration through extended service provision. Recommendations are based on the findings of the 2014 Alberta Integration Summit, a thematic literature review, and interviews with several organizations involved in advocacy and TFW service provision.

Temporary Foreign Workers and Nation-Building

Since 1973, Canada has used migrant worker programs, in varying manifestations, to support its economy—chief among them the Seasonal Agricultural Worker (SAWP) and the Live-in Caregiver Programs (LICP). These programs, managed by Employment and Social Development Canada (ESDC) in conjunction with Citizenship and Immigration Canada (CIC), have undergone few changes since their inception. Yet, the Temporary Foreign Worker Program (TFWP) has evolved dramatically in regards to its size, purpose and target population, originally highly-skilled groups such as academics, business executives and engineers. In a C.D. Howe Institute Commentary, Dominique M. Gross (2014) points out that 2002 marked the beginning of the ongoing policy changes designed to meet employer demand for temporary foreign workers in response to pervasive labour shortages in the Canadian market. In acknowledgement of these demands, the low-skill pilot project sought workers for jobs requiring skills classified by the National Occupational Classification (NOC) to work in industries such as construction, retail and hospitality, thereby shifting the target from high to low-skilled workers.

After several decades, and just as many changes, the government was called to action. Spurred by evidence that the TFWP was not being used to meet “acute” labour shortages, along with controversy and abuse this departure put a spotlight on the short and long-term implications of the programme. Debate throughout academic, policy, and settlement circles often underscores an inattention to the settlement issues created by merely addressing improved labour market outcomes while rejecting a long-term integrative or settlement-based approach which can support the desired economic contributions to Canadian society. In line with the Government of Alberta’s conviction that “immigrants helped build this province and they continue to make valuable contributions,” the Alberta Association of Immigrant Serving Agencies, the 2014 Alberta Integration Summit held in Edmonton, AB brought together over 250 diverse settlement sector participants from 129 organizations. The Summit was designed to engage a wide cross-section of settlement stakeholders to understand the current context of immigrants, the status of settlement service use, the impact of settlement programs and programs that serve sizable populations of foreign-born clients, and the gaps in settlement services.

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contributions to Alberta’s economic, social, and cultural life,” this brief suggests the inclusion of TFWs in the province’s immigration policy framework and enhanced settlement and integration services for this population.

**Building our Province: The Alberta Immigrant Nominee Program**

Historically, the many streams of the TFWP have been used dually by immigrants as a pathway to permanent residency and as one of Canada’s economy and population-boosting policy mechanisms. A contentious aspect of the TFWP is the varied permanent residence corridors through which newcomers flow. Live-in caregivers can apply through the Live-in Caregivers Program, while skilled workers can apply under the Federal Skilled Worker Program (FSWP) and Canadian Experience Class (CEC). Unlike other immigration streams, the only option for low-skilled TFWs and their families to settle permanently is through the Alberta Immigrant Nominee Program (AINP). Even though many TFWs enter the province each year to provide relief for labour shortages, only some will become permanent residents. In fact, nominees from the AINP only account for 17% of national landed immigrants.

The AINP is an economic immigration initiative between the two levels of government from which the government may nominate “work-ready” individuals to support the province’s growth. The number of provincial nominees varies each year and eligibility is determined by a Canadian Language Benchmark Level 4 and a permanent job offer. For example, Alberta issued 5,500 certificates in 2014 which will be decided upon by Citizenship and Immigration Canada. This program allows the province to adapt their own selection criteria and to nominate individuals that best suit the province’s immediate needs.

Encircling this program is the structure for cooperation between the Federal and Provincial governments known as the Agreement for Canada-Alberta Cooperation on Immigration (2007). Within the agreement, the settlement and integration of immigrants, as well as their full participation in Alberta society, is identified as “essential to the achievement of the economic and social benefits of immigration policy and program.” As immigration policy transitions towards lesser dependence on the TFWP, it is necessary to evaluate the place of temporary foreign workers in Alberta’s economy and society, to protect their rights, and to improve settlement and integration service to those populations who have been contributing to national growth and identity for years, if not decades.

**Shifting Gears: Reforms to the Temporary Foreign Worker Program**

Last summer, Employment and Social Development Canada (ESDC) published the “Improving Clarity, Transparency and Accountability of the Temporary Foreign Worker Program” policy overhaul in which the program’s mandate as a “last resort for employers to fill jobs for which Canadians are not available” was reiterated. With this in mind, the revamped approach bifurcated into the TFW and the International Mobility (IMP) Programs. The TFWP continues to respond to employer demand with a unilateral and discretionary approach that targets low-skilled workers from developing countries. Meanwhile, the IMP includes those streams that target high-skilled workers from developed countries that do not require a Labour Market Impact Assessment (LMIA).
Within the government's new immigration framework, coined Express Entry, trends indicate a future Canadian economy built on educated and high-skilled internationally trained workers.

Through this reform ESDC and CIC have articulated a new strategic path based on transparency and accountability for the TFWP. In order to accomplish the ethical and economic aims of the programme, all employers using the TFWP must pass stringent labour market impact assessments. Reforms also restrict access through higher application fees and TFW work permit caps, while tackling the program's controversial elements with stronger enforcement and tougher penalties for abuse and misuse.

<table>
<thead>
<tr>
<th>Province/Territory</th>
<th>2013 Total Low Wage Entries</th>
<th>30% Cap Year 1</th>
<th>20% Cap Year 2</th>
<th>10% Cap Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newfoundland and Labrador</td>
<td>673</td>
<td>174</td>
<td>232</td>
<td>254</td>
</tr>
<tr>
<td>PEI</td>
<td>396</td>
<td>358</td>
<td>372</td>
<td>377</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>680</td>
<td>173</td>
<td>234</td>
<td>327</td>
</tr>
<tr>
<td>New Brunswick</td>
<td>938</td>
<td>621</td>
<td>682</td>
<td>775</td>
</tr>
<tr>
<td>Quebec</td>
<td>2,211</td>
<td>565</td>
<td>747</td>
<td>1,155</td>
</tr>
<tr>
<td>Ontario</td>
<td>4,419</td>
<td>684</td>
<td>989</td>
<td>1,369</td>
</tr>
<tr>
<td>Manitoba</td>
<td>735</td>
<td>142</td>
<td>420</td>
<td>481</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>1,388</td>
<td>455</td>
<td>565</td>
<td>704</td>
</tr>
<tr>
<td>Alberta</td>
<td>14,307</td>
<td>5,247</td>
<td>7,160</td>
<td>8,407</td>
</tr>
<tr>
<td>British Columbia</td>
<td>5,227</td>
<td>1,217</td>
<td>1,819</td>
<td>2,362</td>
</tr>
<tr>
<td>Nunavut</td>
<td>11</td>
<td>-</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Northwest Territories</td>
<td>73</td>
<td>32</td>
<td>44</td>
<td>47</td>
</tr>
<tr>
<td>Yukon Territory</td>
<td>41</td>
<td>10</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Canada Total</td>
<td>31,099</td>
<td>9,678</td>
<td>13,284</td>
<td>16,278</td>
</tr>
</tbody>
</table>

*Does not include primary agriculture, live-in caregivers and employers with a total workforce of fewer than 10 workers

The implications of a reduction in Alberta TFW numbers carry considerable economic and social consequences. Coupled with the proposed TFW caps, and a possible oil-sector driven recession, the Canadian economy will witness a dramatic reduction in the flow of migrant workers in the low-skilled streams. As former Alberta Federation of Labour TFW Advocate, Yessy Byl, asserts, the impact on workers is not always straightforward. In past Alberta recessions, high-skilled TFWs have been laid off while a surge in low-skill workers has met economic demands. This trend directly contradicts the current TFWP strategy. In either case, with work permit expirations looming and a dramatic reduction in renewals of many four (4) year work permits, TFWs already residing in Alberta...

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2 Work permits issued by Human Resources and Skills Development Canada (HRSDC) authorize a TFW to legally work in Canada. It sets out conditions such as the type of occupational details, location and length of time in Canada. Work permits can be employer specific or open. Open work permits do not require an LMIA.
will seek settlement services in 2015. Workers will primarily use these services to assist them with the AINP application process. At first glance it would appear that settlement and integration services for TFWs are not a pressing concern because the cap will decrease the percentage of TFWs residing in Alberta. However, demand for services will increase in spite of a decreasing population. Owing to this spike in demand, the value created by settlement services for TFWs and their families will be even more pronounced.

The Alberta Perspective

With a wealth of resources, and an economy that grew by 3.9% in 2013, Alberta has been a destination of choice for those seeking opportunity and prosperity. Since 2006, annual immigration to Alberta has been increasing. This increase is nuanced by an influx of low-skilled workers that have buoyed provincial labour shortages. In fact, annually the province welcomes approximately 100,000 newcomers; as many as 36,366 of the province’s newcomers will become permanent residents.

At the end of each year, the government takes a snapshot of Temporary Foreign Worker permits and entries from the previous year. This snapshot reveals a country that is becoming strongly committed to immigration as a nation-building and economic tool. In fact, recent Statistics Canada data reveals that nation-wide temporary foreign workers numbered 104,160. During the same year, Alberta welcomed 18,790 TFWs, of which a staggering 14,307 were described as low-wage. These figures demonstrate that although the program was conceived as a limited migrant worker initiative, its enduring use implies a provincial dependency on the program. Provincial reliance, and a particularly high concentration of TFWs in Northern Alberta, may be the result of the special pressures exerted on the economy by the oil and gas sector. That being said, policy changes that limit the flow of TFWs to Alberta where labour shortages are a valid concern will have an impact on business and economic growth.

<table>
<thead>
<tr>
<th>Program Stream</th>
<th>2002</th>
<th>2008</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Technology Workers</td>
<td>830</td>
<td>3,190</td>
<td>29</td>
</tr>
<tr>
<td>Other High-Skilled Workers</td>
<td>23,254</td>
<td>31,992</td>
<td>27,643</td>
</tr>
<tr>
<td>High Skilled Workers Total</td>
<td>24,084</td>
<td>35,182</td>
<td>27,672</td>
</tr>
<tr>
<td>Live-in Caregivers</td>
<td>4,664</td>
<td>11,848</td>
<td>4,671</td>
</tr>
<tr>
<td>Seasonal Agricultural Worker Program</td>
<td>18,622</td>
<td>24,188</td>
<td>27,566</td>
</tr>
<tr>
<td>Low-Skill Pilot Program-Primary Agriculture</td>
<td>123</td>
<td>4,513</td>
<td>7,099</td>
</tr>
<tr>
<td>Low-skill Pilot Program-Other</td>
<td>2,145</td>
<td>21,147</td>
<td>16,315</td>
</tr>
</tbody>
</table>

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3 In a 2014 report, the Canadian Federation of Independent Business (CFIB) revealed that one of the primary limiting factors to small and medium size business sales and production growth is a shortage of skilled and semi/un-skilled labour.
Low Skill Pilot Program Subtotal
Other low-skilled workers with LMO
Low-Skilled Workers Total
Other Total*
TFWP Total

<table>
<thead>
<tr>
<th></th>
<th>2,268</th>
<th>25,660</th>
<th>23,414</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other low-skilled workers with LMO</td>
<td>1</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>Low-Skilled Workers Total</td>
<td>25,555</td>
<td>61,700</td>
<td>55,651</td>
</tr>
<tr>
<td>Other Total*</td>
<td>192</td>
<td>349</td>
<td>417</td>
</tr>
<tr>
<td>TFWP Total</td>
<td>49,831</td>
<td>97,231</td>
<td>83,740</td>
</tr>
</tbody>
</table>

### Settlement Services for TFWs

Policy research on temporary migration traditionally focuses on the economic impact exerted on the host society and the civil rights concerns faced by TFWs. It would appear that, intentionally or not, traditional analysis excludes this population’s unique settlement and integration concerns. Due to this exclusion, there is a need to examine the social impact of the TFWP. According to economist Casey Warman, TFWs enjoy significant economic success, especially when compared to newly landed immigrants.\(^1\) While this finding may signal a positive aspect of the programme, it does not paint a complete picture. In terms of settlement and integration, indicators of success are not exclusively monetary. Qualitative research, such as the Alberta Settlement Outcomes Survey, indicates that immigrants who have received community services in Alberta are especially likely to “feel a sense of belonging to Canada.”\(^2\)

In Alberta, settlement programs are delivered using an alternative method known as the Canada-Alberta Integrated Services Program (ISP). Its goal is to support common goals and objectives between the two levels of government. ISP provides the foundations for community-based services that assist newcomers to integrate and become productive members of society. As a general rule, the TFWP promotes employers to meet the immediate settlement service needs of workers like housing and health care as they transition into Canadian life.\(^3\) Because of the provisional nature of the TFWP, the amount and scope of settlement and integration services available to TFWs in Alberta are significantly limited.

On one hand, the provincial and federal governments provide informational services to workers through the TFW Advisory Office, TFW Helpline, and the Online Fraud Reporting Tool. For instance, the Advisory Office provides fact-sheets and may assess concerns which can then be forwarded to the appropriate authorities such as Employment Standards. Services tend to focus on helping workers understand their rights and responsibilities while providing an outlet to report abuse instead of providing core settlement services. On the other hand, non-profit organizations such as the Calgary Workers Resource Centre, Calgary Catholic Immigration Society, Catholic Social Services Immigration and Settlement Services (Red Deer), the YMCA in Wood Buffalo, and the Edmonton Community Legal Clinic provide extended services with funding from the provincial government.

The services provided by these organizations remain information-based but may include referrals, legal guidance, and assistance with Employment Insurance, Workers Compensation, and human rights. For example, the Calgary Workers Resource Centre assisted TFWs clients in Calgary and
Brooks to recover $4.3 million dollars of EI and Workers Compensation entitlement. Of special interest, language skill services which are widely regarded as a key factor in newcomer settlement and integration into Canadian society are overlooked because language proficiency is required to obtain a work permit. Service providers working with TFWs often refer them to other private and non-profit organizations that can deliver language training at reduced rates.

**Immigration Policy and Settlement Services**

The context of Canadian immigration policy and a progressively diverse national identity provides the backdrop for discussion about the TFWP. According to Delphine Nakache and Paula J. Kinoshita (2010), the federal stance reveals “something important about the trends regarding Canada’s immigration objectives.”18 Some TFWs continue to be tethered to the LMIA which binds them to a highly specific job and geographic location. Yet, in spite of the presence of many low-skilled TFWs, the prevailing policy is towards an immigration model that is skills-based and economy driven.

Furthermore, Nakache and Kinoshita (2010) identified administration as one of the key challenges faced by the TFWP.19 That is, the intersecting policies and players (such as Canada Border Service Agency and Human Resource, Skill Development Canada) create miscommunication and confusion which can potentially lead to system abuse.20 For example, the federal and provincial governments must coordinate their efforts to address the unethical practices of labour brokers and recruiters and to ensure that their civil rights, the same rights afforded to Canadian workers, are upheld.

Given the jurisdictional issues surrounding the program, and the treatment of TFWs as a distinct non-immigrant class,4 the issue of settlement service provision is an area that may require further development and collaboration across multiple non-governmental stakeholders. In Alberta, community-based settlement and integration agencies are uniquely positioned to address the service gaps as well as the special needs of Temporary Foreign Workers.

The following recommendations have been compiled in response to the 2014 policy changes and sector input. They are based on the priorities identified at the Alberta Integration Summit, the trends identified in the Alberta Settlement Outcomes Survey, and semi-structured interviews with two (2) AAISA’s member agencies, one (1) Temporary Foreign Worker serving organization, and one (1) advocate. Recommendations concisely reflect the findings from the Summit Working Group discussions and interviews addressing particular themes and challenges facing the TFWP in Alberta. In both cases, thematic issues which are tied to the survey results. The following themes were identified:

1. A multi-sectoral and collaborative approach will be necessary in order to address the needs of TFWs,
2. Policy change readiness: Policy changes related to Express Entry will likely change the landscape of employment. Settlement agencies and service providers need to reposition their relationships with employers to face challenges like labour shortages or employee preparation for Express Entry, and

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4 Citizenship and Immigration Canada through the Immigration and Refugee Protection Act defines immigrants as a “persons residing in Canada who were born outside of Canada, excluding temporary foreign workers, Canadian citizens born outside of Canada and those with student or working visas.”
3. Core settlement service ineligibly and/or limited funding even though TFWs face similar challenges in housing, employment, education and language. Across several inputs, the mandate to examine the special needs of this group and to expand service access was clear.

Recommendations:

In tandem with the 2014 policy, it is important prioritize the integration of TFWs since many are actively pursuing permanent residency through the AINP. Several key themes were frequently mentioned across immigration policy research and multiple settlement stakeholders such as managers, front-line, and resource workers. Drawing from those themes, the following recommendations will facilitate enhanced settlement and integration practices and outcomes:

1. **Inclusion of TFWs in Immigration Policy:** Amendments to the term “immigrant” in the Immigration and Refugee Protection Act, as well as the Supporting Immigrant and Immigration to Alberta Policy Framework, in order to create a more inclusive and integrative approach to the Temporary Foreign Worker Program.

2. **Improved Education and Information:**
   a. Education services and public awareness can help inform TFWs, employers, service providers, and settlement sector agencies of the rights and responsibilities of the varied program players. Of special interest for TFWs, pre-arrival education services were identified as important to debunking unrealistic expectations, informing workers of their civil rights and the resources at their disposal.
   b. Education for employers on their roles and responsibilities in ensuring compliance with the ESDC and preventing exploitation.

3. **Extended Language Training:** Currently, TFWs are ineligible to access language training and assessment. Settlement agencies often refer workers to private agencies that provide subsidized language training. In order to facilitate their successful integration into the workplace and Alberta society, and to increase labour market participation, language services should be extended to TFWs.

4. **Extended Funding for TFW Services:** Stakeholders suggest broadening the reach of funding to include this group. It is argued here that funding inclusion would improve social and economic cohesion through better settlement and integration outcomes.

Though TFWs fall outside of the scope of settlement funding, their position and eventual integration into Alberta society merits a careful re-examination. The above recommendations can provide a practical guide to make positive, cohesive changes in line with CIC’s new accountable and transparent approach to the TFWP. Considering Canada’s pragmatic approach to immigration policy that has consistently served as a foundational element of Canadian identity and nation-building strategy, these recommendations are intended to foster collaboration among the diverse stakeholders involved in settlement and integration.
Appendix A

The following table summarizes the most significant policy shifts and provides a comparison with previous reforms.

Table 3: Reforms to the TFWP

<table>
<thead>
<tr>
<th>Before 2014</th>
<th>As of July 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Background:</strong> Refers to those categories under which foreign workers enter Canada through several temporary streams, some of which required an LMIA (formerly LMO).</td>
<td><strong>Background:</strong> Now refers only to those categories under which foreign workers enter Canada at the request of employers after the approval of a new Labour Market Impact Assessment (LMIA).</td>
</tr>
<tr>
<td>Wide-spread use by employers.</td>
<td>Last resort for employers to fill jobs for which qualified Canadians are not available.</td>
</tr>
<tr>
<td>Expedited processing, especially in provinces with labour market shortages, for employers to fill jobs for which qualified Canadians are not available.</td>
<td></td>
</tr>
</tbody>
</table>

- Predominately low-skilled streams
- Predominantly high-skilled streams

**LMO:**
- Employers must pay $275 plus the cost of the visa
- Express LMOs offered to employers in provinces with acute labour shortages such as B.C. and Alberta
- Employers were permitted to pay TFWs up to 15% below the prevailing wage for high-skilled occupation and 5% below the prevailing wage for a low-skilled occupation if they could demonstrate that the TFW was being paid the same as their Canadian employees in the same job and same location
  - This provision was ended in 2013

**LMIA:**
- Significant and genuine efforts to recruit or train Canadians
- Demonstrate inability to find Canadians to meet their labour and skills needs
- Applications refused in areas with an unemployment rate over 6%
- Employer must pay $1,000 plus the cost of the visa
- Will not be processed for positions which require limited education or training. For example, sectors such as accommodation, food services, and retail
- Expedited 10 day processing for high-demand occupations
- Employers seeking high-wage workers must demonstrate how they will transition to a Canadian workforce as part of their application
- Employers are now required to always pay TFWs at or above the prevailing wage for an occupation in a given region
## Recruitment:
- Employers must make greater efforts to recruit Canadians first before requesting TFWs.
- Employers required to advertise their position for a minimum of 2 weeks.
- Advertise on the Government of Canada national Job Bank website or equivalent provincial website.

## Recruitment:
- All employers are now required to advertise their position in Canada for a minimum of 4 weeks.
- Employers are required to use 2 additional methods of recruitment beyond the Government of Canada Job Bank.
- Employers hiring for low-wage occupations must demonstrate they have made efforts to hire Canadians from under-represented workforce groups such as youth and those with disabilities.

## Enforcement:
- Employers inspected on an ad-hoc basis.

## Enforcement:
- Increase the number and scope of inspections: one in four employers using the TFWP will now be inspected each year (funded by increased fees).
- Monetary fines for employers who break the rules and commit criminal offenses under the Immigrant and Refugee Protection Act.
- Employers may have their LMIA suspended or revoked.
- Employers may be completely banned from the program.

## Restrictions:
- 2 year work permits set out in the LMIA for low-skilled streams.
- Currently TFWs may stay in Canada for 4 years.

## Restrictions:
- 1 year work permit set out in the LMIA for low-skilled streams.
- Reduction of length of time workers may stay in Canada.
- Cap on Low-skill TFWs which is designed to significantly limit access to the program.
- In 2013, 12,162 employers used TFWs. Over the next couple of year, employers must phase out their temporary workforce in compliance with the 10% maximum.
Disclaimer: This report has been drafted, compiled, and reviewed by the AAISA Research Committee and staff person. It has not been sanctioned by any government agency representatives and should be confirmed as appropriate.

AAISA is dedicated to providing current, evidence-based research and policy updates to its Alberta member agencies and stakeholders. The Research and Policy Brief project serves to offer a detailed account regarding the issues directly facing the settlement sector across our province. Our goal is to offer our members and stakeholders the best information available to enhance and inform their practice.
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1 Nakache, Delphine & Paula J. Kinoshita. (2010). The Canadian Temporary Foreign Worker Program: Do Short-
3 Gross, Dominique. (2014). Temporary Foreign Workers in Canada: Are They Really Filling Labour Shortages?“