

CEDOM Canada-Europe Dialogues on Migration

POLICY MEMO

**Is Canada Turning to a Europe-style
'Guest Worker' System?
Temporary Foreign Workers as a Policy Challenge**

Oliver Schmidtke



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Executive Summary

In Canada, the number of Temporary Foreign Workers (TFWs) has greatly expanded over the past decade, at some stage even outnumbering the so-called economic immigrants. This development indicates how a flexible, temporary work force is highly attractive in particular for certain sectors of the economy (farming, hospitality, care services). Yet, at the same time, the rising number of TFWs raises serious issues: There have been repeated concerns about temporary foreign workers filling positions that Canadians should have been considered for first even they are more costly (higher wages and benefits). In addition, TFWs have experienced systematic forms of exploitation or abuse that are directly linked to their status of being dependent on a work relationship with one employer and being largely deprived of access to legal protection and unionized representation, which regular domestic workers take for granted. From a larger societal perspective, the massive expansion of TFW program thus threatens to undermine Canada’s achievement as an immigrant country that offers its newcomers swift access to permanent residency or citizenship status and, linked to this status, facilitates their full inclusion into the fabric of society.

In light of these challenges, this policy memo puts forward the following three recommendations: First, the Canadian government would be well advised to put into place a more rigorous assessment scheme that determines the legitimate need and proper working conditions for TFWs whose positions cannot be filled with Canadian permanent residents of citizenship. In the past, this assessment has too easily been circumvented by business interests and the growing influence of these private actors in recruiting TFWs. Second, the rights of TFWs and access to proper recourse in cases of abuse, exploitation or violence need to be protected more strictly. Third, after more than two decades of experience with greatly increased numbers of foreign migrant workers, Canada should consider carefully the nature and scope of its TFW Program if the country wants to avoid the pitfalls of

the European guest worker program that created a group of poorly integrated non-citizens (Castles 2006). More expansive pathways to citizenship for lower-skilled temporary TFWs would be a good step in addressing this issue.

The Policy Memo

Background and research question

The Temporary Foreign Worker Program, originally designed to mitigate temporary work shortages, has been in place for decades in Canada. However, over the past twenty years the program of temporary migrants has experienced a dramatic expansion. The number of TFWs present in the country rose from 52,000 in 1996 to over 310,000 in 2015. In 2011, 156,000 economic migrants entered Canada as permanent residents, 191,000 were accepted by the federal government as temporary workers. While in recent years, the federal government has restricted the number of TFWs, Canada has become dependent on these migrant workers to supply its labour market and to support in particular its agricultural, homecare, and other lower-wage sectors.

This considerable expansion of Canada’s Temporary Foreign Worker Program has brought up concerns at different levels: First, bringing in such a large number of migrant workers raises the question based on what criteria, need assessments and recruitment strategies these TFWs are selected and placed in jobs. Does the current practice meet the expectation that this Program has in terms of filling urgent vacancies in the labour market without replacing the Canadian population (indeed in 2014, Employment and Social Development Canada rebranded the Program committing it to ‘Putting Canadians First’)? The second issue relates to the actual working conditions of TFWs in Canada. To what degree does the reliance on one employer and the placement in jobs that are regularly isolated and difficult to monitor lead to forms of abuse critically tied to the precar-



Co-funded by the
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ious legal status of these migrant workers? Lastly, is such a high number of TFWs desirable in terms of Canada's legacy of providing an inclusive and equitable environment to newcomers? Is there the danger of replicating some of the pitfalls that have troubled Europe's experience with guest worker programs? The policy challenge here is the 'negotiation of non-citizenship' (Goldring & Landolt 2013) in a country whose approach to immigrant settlement and social cohesion model is guided by commitments to turning foreigners into citizens in an accessible and expedient manner.

Methodology/ Data

This policy memo is based on a critical review of recent studies on temporary foreign workers in Canada (secondary analysis) and on statistical information made available by Statistics Canada and Immigration, Refugees and Citizenship Canada.

Key findings

The large presence of TFWs has created some considerable unintended consequences and resulting policy challenges that are centrally related to the legal status under which this group of migrant workers is in the country. One critical concern is that hiring relatively low-skilled and low-paid workers from abroad involves the risk of replacing Canadians or preventing them from being considered for a vacant job. There have been prominent cases in the Canadian media with respect to fast-food restaurants or even banks where there were alleged cases of TFWs 'taking jobs' from Canadians. The background is an insufficient enforcement of the rules under which TFWs can legitimately be brought into the country and the growing power of employers and private business in driving the recruitment of these temporary workers. A second major concern is the vulnerability that TFWs experience at their place of work and in society more widely. The abuse that these workers are exposed to due to their status of having a 'closed work permit' and thus the reliance on one employer (once this contractual relationship ends, TFWs need to leave the country) and their limited access to legal protection or union representation. Just two examples: Caregivers, for instance, who are mostly women working in

private homes are frequently vulnerable to abuse or even sexual violence; they work in isolated workplaces not subject to occupational health and safety inspections. Similarly, TFWs working in the farming industry regularly work under exploitative working conditions and are often deprived of health care services or properly earned income. Reports of poor or dangerous working conditions have raised public awareness in Canada of these 'second-class immigrants' (Goldring and Landolt 2013).

With a view to the long term effects of accepting, in some years, more TFWs than economic immigrants into the country there is also a significant concern regarding the inclusive and welcoming nature of Canada's immigration and integration regime. Canada's attractiveness as a country that allows immigrants equitable opportunities in the labour market and the educational system is critically dependent on them quickly gaining access to the legal status as permanent resident or citizens (Bloemraad 2006). The broader socio-political question regarding TFWs is whether having a large number of temporary workers in the country could create a class of non-citizens who participate in the workforce under often precarious circumstances but are otherwise excluded from social opportunities and entitlements. Lenard and Strahle (2012) call this phenomenon *legislated inequality*.

Recommendations

Considering the effects of the massive expansion of the Temporary Foreign Workers Program over the past 20 years, this policy memo puts forward the following three recommendations: **First**, while the Canadian government under Conservative leadership introduced amendments to the Program that would protect the privileged access of Canadian citizens to job opportunities, replacing the Canadian population is still an endemic problem with the temporary recruitment of foreign workers. In this respect, a regulatory framework for hiring and employing TFWs is underdeveloped. Thus, a more rigorous system of assessment and adjudication should be established that protects the interests of the local workforce and prevents businesses from using TFWs simply as a means of lowering costs. This step would also entail

reigning in the increased influence of private interests in recruiting and settling foreign workers on a temporary basis.

Second, the rights of TFWs and their ability to address issues of abuse and exploitation should be strengthened. Immigration, Refugee and Citizenship Canada has recently completed its consultation on proposed regulations allowing temporary foreign workers to apply for an open work permit if they are facing abuse. This is an important first step but the nature of the threat of abuse that TFWs face is in strong need of additional scrutiny. This group of migrant workers works is regularly socially isolated and afraid to speak out against employers on whom they rely for their status in Canada. More transparency and advocacy is required to provide TFWs with realistic avenues to voice their complaints and find proper support.

Third, critics of the current TFWP have claimed that it prevents in particular the low-skilled foreign workers from finding access to Canadian citizenship status while the highly skilled come into the country more permanently through more privileged recruitment schemes. If Canada wants to avoid a considerable class of non-citizens that experience multiple forms of social and political exclusion it would be desirable to develop more pathways to Canadian citizenship for low-skilled temporary foreign workers.

Key References

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