

Opening Statement to the

**Standing Senate Committee on
Social Affairs, Science and Technology**

as part of its investigation of

**Canada's Temporary and Migrant
Workforce**

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It is an honour to appear before this Committee to discuss the growth of Canada's temporary and migrant workforce. I particularly thank the Chair, Senator Omidvar, for her leadership on this issue.

I am an economist and the Atkinson Fellow on the Future of Workers. When I was senior economic policy advisor to the Deputy Minister of ESDC in 2018 and 2019, demographic pressures were starting to unfold. Unemployment rates had fallen to half-century lows, presaging an era of more retirements than entrants to the workforce among the Canadian-born. Without massive adoption of labour-replacing technologies – which pose different challenges— future economic growth would rely on population growth, driven exclusively by newcomers. What *kind* of newcomers?

The answer lies in the numbers: In 2022, for every person we welcomed to live in Canada as a permanent resident, three were only permitted to stay temporarily. The share of the workforce who is not a permanent resident has jumped from an [estimated 2.5% to 3.8%](#) just since September 2019.

No public policy debate charted this course. It emerged in response to employers' concerns that there weren't enough people to do the work — that is, at prevailing wage rates.

Senators Kutcher, Petitclerc and Dasko have noted that migrant workers may have the same rights as Canadian workers on paper, but are unlikely to exercise them for fear of jeopardizing their jobs or future. They are more likely to be exploited. That kind of contagion spreads rapidly.

This Committee has already raised ideas on how we could change course. Your questions to previous witnesses suggest four ways policy reform could create better labour markets for all workers: how temporary resident permits are issued; how rules are enforced; pathways to permanence; and quotas.

First: **Work permits** tied to an **employer** are rare, used only in the relatively small Temporary Foreign Worker Program administered by ESDC. Last week IRCC Deputy Minister Christiane Fox acknowledged open work permits tied to a **region** or **sector** could target help to specific industries or rapidly aging communities. Addressing potentially crippling labour shortages, while limiting abuse of workers, seems a promising avenue of reform.

Second: **Enforcement** needs to reduce the number of known bad actors. Over 2,000 government inspections of employers of migrant workers in the past year show the main violation is wage theft. But just a handful of the [763 non-compliant employers listed on the registry](#) over the past seven years are banned from employing more migrant workers. More need to be stopped. Recent reforms which use migrant workers' advocates to better inform workers of their rights and encourage reporting abuse should be augmented. Businesses have lobbyists to plead their case. So should these workers, who may not *know* their rights, let alone stand up for them.

Third: **Pathways to permanence** are convoluted and multi-staged. Dr. Rupa Banerjee of Toronto Metropolitan University advises the IRCC database lists 140 different types of temporary residency permits. Permit renewals are increasing, as are the number of people

switching categories, with up to seven different types of permits being held before the transition to permanent status is complete. The **time** to transition is lengthening, while the **probability** of transitioning 10 years after arrival has barely risen, from 20% to 30% from 2002 to 2011. Simplify the pathways to permanence and communicate them **before** each worker and student enters the country. Not every migrant worker wants to build their life here, but everyone should know what their chances, rights and responsibilities are, and how long it takes to land.

Finally, **targets and thresholds**: With more people displaced from their homes due to political violence or climate emergencies every year, we should not set hard numbers on asylum seekers. But, just as we set limits on the number of immigrants allowed to stay permanently, the numbers permitted to study or work here temporarily, often in hopes of staying here, should also be controlled. For international students, these targets will need to be developed with the provinces. For migrant workers, federal rules that tripled use of TFWs from 10% to 30% of an individual workplace only a year ago should be rolled back, with similar limits placed on employers' use of migrant workers who enter through other international mobility programs.

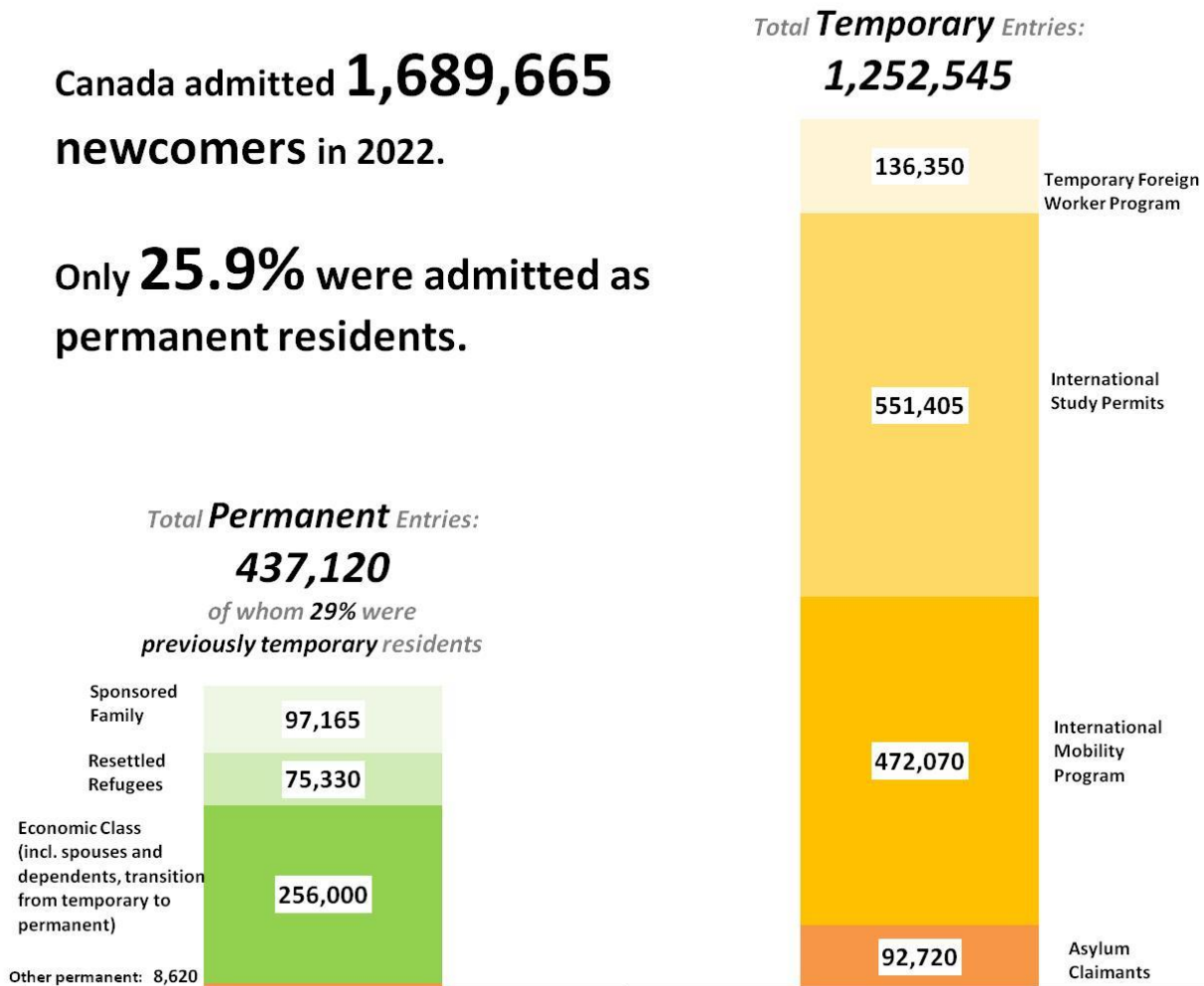
These four reforms to intake policy would reduce exploitation of the newcomers we say we need. However, as Ms Fox told you last week, better planning and coordination is also needed to integrate newcomers while maximizing the potential of Canadians. "It's beyond the Department of Immigration," she said. "It has to be with a skills strategy and [a] housing strategy."

Canada's economy and society could thrive because of our new neighbours; but it will take thoughtful alignment of mission, policies and implementation to make it so.

Thank you for the time you are investing in this critical issue. I look forward to the encouragement your work will provide the Government of Canada in achieving these goals.

Canada admitted **1,689,665** newcomers in 2022.

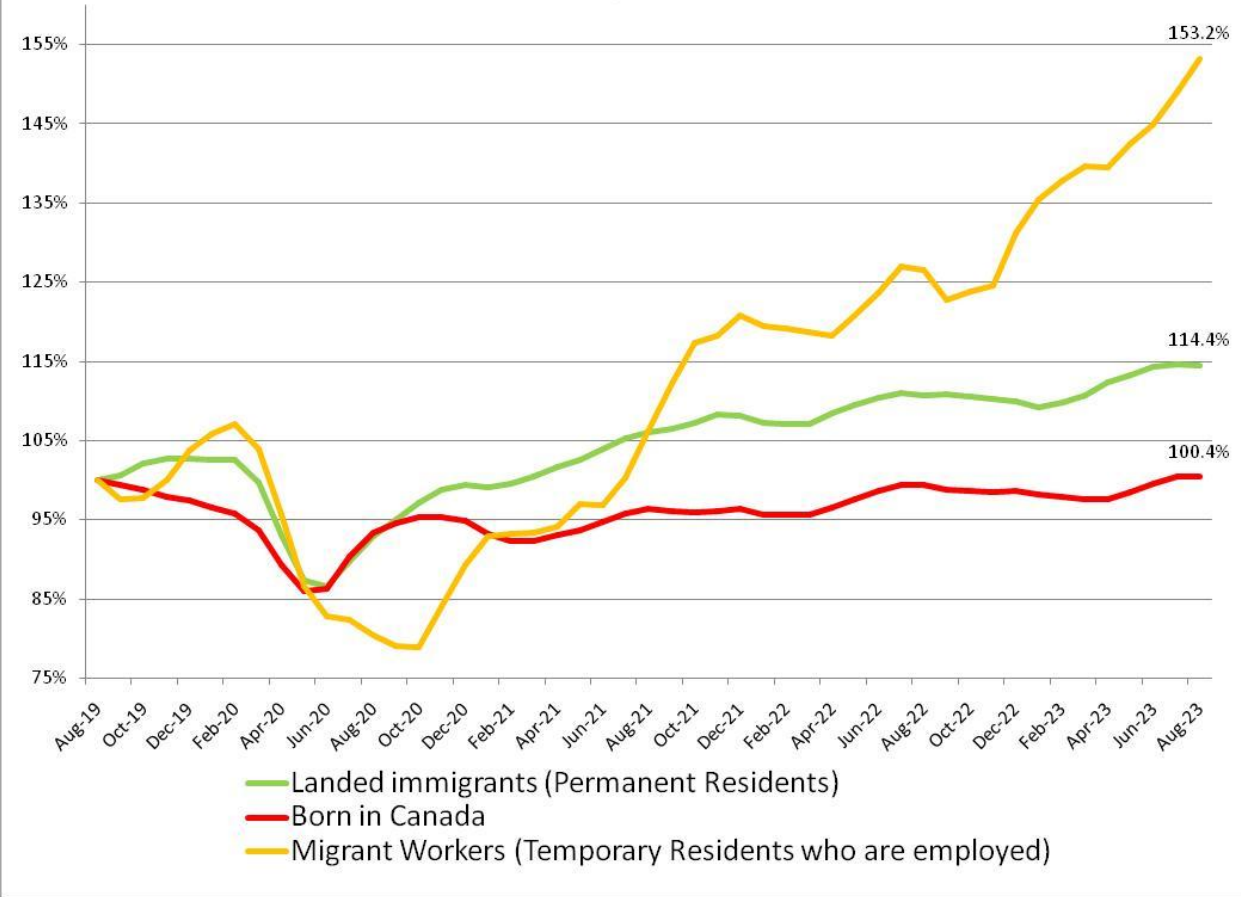
Only **25.9%** were admitted as permanent residents.



Source: @ArmineYalnizyan based on custom tabulations from Immigration, Refugees and Citizenship Canada

The original table was prepared by IRCC for the author when she was Senior Economic Policy Advisor to the Deputy Minister of Employment and Social Development Canada. IRCC now makes their updated data available on their [open data](#) website.

Job Loss and Recovery to August 2023 by Residency/Citizenship Status, Canada Indexed to August 2019 levels



This chart, by the author, is based on Statistics Canada [Table 14-10-0084-01](#), a three-month moving average series, unadjusted for seasonality. "Migrant workers" category is derived by subtracting employment among Landed Immigrants and those Born in Canada from total employment in the Labour Force Survey. As verified with Statistics Canada, this methodology captures people with various temporary work and/or study permits, asylum seekers, as well as Canadian citizens born abroad (which form a very small share of this group).