

Backgrounder

The Increasing Use of Temporary Foreign Workers: Impacts on Apprenticeship?

A report to The Canadian Apprenticeship Forum from Prism Economics and Analysis

March 2010

DRAFT – FOR DISCUSSION ONLY

Note to Readers

Readers should note that the opinions expressed in this document do not necessarily reflect the opinions of CAF-FCA, the Working Group, or any of its stakeholders.

The interviews and focus groups are not a true representative sample and there is a risk that the views gathered in this process might be skewed to distinct circumstances or misrepresent the experiences of other businesses. The comments only reflect the opinions and perspectives of those who participated in the interviews, focus groups, or workshops. Generalized conclusions from these specific consultations should not be drawn.

It is crucial that, on an ongoing basis, stakeholders continue to have an open dialogue about human resource practices in the skilled trades and it is hoped this piece can contribute to that discussion.

Contents

4	<i>Acknowledgments</i>
5	<i>Executive Summary</i>
10	<i>Introduction</i>
13	Labour Market Findings
24	Government – Impacts and Observations
30	Impacts on Employers
37	Observations from Labour Workshop
41	<i>Conclusions</i>
43	<i>Appendices</i>
43	<i>A: An Overview of the Temporary Foreign Worker Program</i>
50	<i>B: Red Seal Trades and Related Apprenticeship Occupations (Tables 1, 2)</i>
55	<i>C: Interview, Focus Group, and Workshop Questions</i>
60	<i>Notes</i>

Acknowledgments

The Canadian Apprenticeship Forum – Forum canadien sur l'apprentissage (CAF-FCA) gratefully acknowledges the individuals and organizations who participated on the Working Group and who contributed to the focus groups, interviews, and workshop. Their time and effort was very much appreciated. CAF-FCA would also like to thank Prism Economics and Analysis for completing the research and the Government of Canada for providing the funding through the Sector Council Program.

Readers should note that the opinions expressed in this document do not necessarily reflect the opinions of CAF-FCA, the Working Group, or any of its stakeholders.

Please note that the Working Group had a diverse range of stakeholders on it, but some members chose not to have their names listed in the acknowledgements.

Working Group Members

Rolf Priesnitz,
Director, Apprenticeship Programs
George Brown College

Joy McKinnon
Vice President, Business Development
Algonquin College

Alan J. McQuillan
Business Manager
Local 473, S.M.W.I.A.

Emily Arrowsmith
Project Manager and Researcher
Canadian Apprenticeship Forum – Forum
canadien sur l'apprentissage

Allison Rougeau
Executive Director
Canadian Apprenticeship Forum – Forum
canadien sur l'apprentissage

Executive Summary

This document investigates whether the increasing use of temporary foreign workers is having impacts on apprenticeship. At present, the numbers of temporary foreign workers (TFWs) are not having a statistically significant impact in relation to overall employment and, in general, a burden is not being created on the apprenticeship systems. Employers who participated in this project said that they were using apprenticeship and temporary foreign workers as complementary human resource strategies. The potential long-term impacts, however, need to be taken into account when exploring this issue. If the numbers of TFWs continue to increase, there could be long-term impacts on opportunities available to Canadians, the quality of training, and the overall skills of the workforce. In particular, mentoring relationships and apprentices' on-site learning could be affected if measures are not taken to better integrate TFWs into worksites and to provide adequate language and workplace culture training.

Background

CAF-FCA initially explored the topic of temporary foreign workers and apprenticeship at one of its National Forum Dialogues. In June 2007, there was a dialogue titled "Impact of the Increasing Use of TFWs on apprenticeship" that took place at the Annual General Board Meeting.

As a follow-up to the dialogue, the Board of Directors were interested in learning more about the use of TFWs in the skilled trades and employers' motivations for using the program. Prism Economics and Analysis was

subsequently hired to do some preliminary research. This backgrounder summarizes the findings of that research.

This backgrounder should be a starting point for further discussion. It is recognized that there is a wide variety of opinions on this topic. This piece is meant to be a discussion starter, not a definitive research report.

Scope

This inquiry focuses on the fifty Red Seal trades.

The labour markets in British Columbia, Alberta, and Ontario were the focus since statistics indicate these are the main destinations for TFWs.¹

Methodology

The consultant was asked to review available statistical data, to conduct interviews, and to hold focus groups with industry stakeholders to gather the necessary information.

Summary of Findings

Labour Market Findings

- » Statistics were gathered from Citizenship and Immigration Canada (CIC) to get a sense of the significance of TFWs in the labour market.
- » In general, the proportion of TFWs is small (less than 10 per cent) relative to the population of apprentices.

- » In terms of trades, there are relatively large groups of TFWs in the labour markets for cooks, instrumentation technicians, welders, boilermakers and steam/pipe fitters.
- » Immigration in the Red Seal trades has:
 - increased from 1990 to 2007
 - shifted to TFWs from permanent residents
 - shifted to the Western Provinces
 - introduced only small numbers of new workers into most markets, although there are exceptions for some trades
 - increased as labour markets for many related trades and occupations tightened and shortages were reported.

Government – Impacts and Observations

- » Provincial² government officials who work for the apprenticeship branches were asked about their experiences managing apprenticeship programs and TFWs.
- » Depending on the province, apprenticeship officials can be involved with TFWs in the following ways:
 - Review qualifications of TFWs in compulsory trades
 - Assess credentials and training in other countries
 - Prepare TFWs for challenging provincial³ exams, and
 - Exchange information on labour market impacts and other initiatives with other government officials, community colleges, or industry associations
- » Most provinces do not keep records that would quantify the exact burden on staff

time related to TFWs. Apprenticeship administrators in the West all reported a notable increase in work related to the arrival of TFWs.

- » In general, the work was described as assessing the qualifications and testing TFWs in compulsory trades. Administrators in Central and Atlantic Canada did not report any notable impact on staff time.
- » Generally, these officials did not perceive that their involvement with TFWs was taking resources away from their apprenticeship programs.
- » Some noted that if the number of TFWs continues to increase, encouraging TFWs' willingness and abilities to train Canadian apprentices will need more attention and focus.

Impacts on Employers

In the summer of 2009, a series of five focus groups brought human resource managers and supervisors whose companies hire TFWs together to discuss potential links and impacts between apprenticeship and the use of TFWs.

Characteristics of Employer Focus Groups

- » Participants came from the transportation, construction, tourism, auto services and other industries.
- » These groups employed individuals from over twenty different Red Seal trades.
- » There was a mix of large and small-sized businesses.

Complementary Human Resource Strategies

- » Participants generally felt that the hiring of apprentices and TFWs are complementary human resource practices.
- » Participants perceived that they had recruiting problems which had become more acute since 2005.
- » Participants reported having increased their reliance on TFWs while at the same time participating in apprenticeship or considering it as an option.
- » Although there can be issues with getting the credentials of TFWs recognized and language issues with the workers, employers reported that TFWs were generally highly-skilled, technically-competent workers who were productive. TFWs also already had some kind of certification.
- » According to participants, they were also committed to apprenticeship as a way to ensure that they have a future skilled labour force. In their opinion, they struggle with issues such as rapid turnover, lack of motivation, unrealistic wage expectations, poaching, and low completion rates. Hiring TFWs can help employers overcome some of these challenges. According to employers, TFWs already have the technical skills and are more likely to stay with the employer due to the conditions of their employment. If they have the right kind of personality and language skills, employers perceived that, given time, TFWs could be potential mentors and supervisors for apprentices.

- » Participants did not see TFWs as temporary workers. They are seeking to extend the periods of Labour Market Opinions (LMOs) and work permits to allow for the integration of TFWs. Permanent working relationships are the desired outcome. Despite the name, TFWs are a part of participants' long-term strategies to address skills shortages in order to deal with baby boomer retirements.

HR Staffing

- » Many large employers reported having specific people assigned to deal with TFWs. There are apparent advantages available to large firms that invest in HR staff who master the complexity of the system. Many of these firms attributed much of their business success in the peak years to access to TFWs. Significant effort and investment into learning the vagaries of the system paid off, according to employers.
- » Smaller firms faced more challenges as they tried to access TFWs because they do not have the staff resources to learn the intricacies of the system.

Cost

- » The cost of getting TFWs ranged from \$5,000 to \$20,000 per worker, according to the employers who participated in the focus groups.

Observations from Labour

At a workshop, some labour representatives made the following observations based on their experiences.

Uses and Abuses of the System

Organized labour groups and community organizations offered a broader perspective on the impact of TFWs, considering both the potential uses and abuses of the system. These groups recognized:

- » The positive contributions of employers who use TFWs with integrity and use TFWs to add to the depth and breadth of the workforce.
- » That TFWs are not always used to fill a short-term labour need. As a result, there are many examples of abuses that threaten to weaken the long-term quality of Canada's workforce, such as:
 - Inadequate enforcement of the system of LMOs.
 - Frequent changes, along with variable and inconsistent application of provisions.
 - The arrival and retention of a number of unqualified TFWs in the Red Seal trades. This process, if continued, will gradually undermine the effective mentoring and on-the-job training of apprentices.

Potential Impacts

- » Participants from the labour workshop argued that the relatively small number of TFWs arriving in the Red Seal trades might appear to limit their negative impacts but that this latter view is misleading. Participants cited that:
 - There are many unqualified TFWs who remain in Canada.
 - TFWs in compulsory trades might use repeated attempts at passing the Certificate of Qualification to extend their work permits and others may move into the underground economy if their work permits are lifted.

» Participants from the labour workshop argued that a broader perspective on the changes to the Canadian training system reveals an even greater longer-term impact. Modifications to the following Canadian regulations and policies undermine the quality of Canadian skills and encourage the admission of unqualified TFWs:

- Specialization of trades – resulting in certifiable sub-trades within a trade.
- Reducing the ratio of journeypersons to apprentices.
- Changes to the Agreement on Internal Trade.

Conclusions

This preliminary research attempted to clarify some key questions about HR practices in the skilled trades and the potential links between apprenticeship and the use of TFWs. The findings reveal:

- » TFWs are not arriving in significant enough numbers in the skilled trades to be in competition with Canadians for opportunities.
- » Interviews with government officials revealed that the administration of TFWs is

generally not taxing their resources. There are more demands placed on Western Canadian officials.

- » In the opinions of employers who participated in focus groups, apprenticeship and the use of TFWs are, in fact, complementary human resource strategies. Employers anticipate that apprentices and TFWs will be a part of their long-term strategy for dealing with labour shortages. Some even think that TFWs will serve as apprentices' mentors on worksites.
- » Workshops with labour representatives indicated that although some employers use TFWs for legitimate reasons, lack of enforcement can lead to misuse. Labour groups further commented that the use of TFWs is but one of a host of regulations and policies which, taken collectively, can undermine the apprenticeship training culture in the long run.

Future Research

Although CAF-FCA will most likely not be pursuing additional research on this topic at the present time, other organizations may be interested in some of the avenues for further research that the consultant suggested. Additional research could track developments and confirm some of the basic expectations that drive the policies and practices found here. Elements of the research could include:

- » Tracking labour market assessments for Red Seal trades by following:

- business cycles in key industries and occupations
 - projected replacement demand relative to retirements
 - and evidence of shortages that prompt the entry of TFWs.
- » Demographic analysis of the population of journeypersons in Red Seal trades to confirm age profiles and gaps in the ranks of mentors for apprentices.
 - » Assessing the capacity of apprenticeship programs, both in-school and on-the-job, to support foreign-trained supervisors.
 - » Monitoring new data on the arrivals of TFWs in entry-level occupations and their potential interest in apprenticeship.
 - » Tracking the number of TFWs in the Red Seal trades and entry-level occupations who remain in Canada once their LMOs or work permits expire.
 - » Recommendations from the Building Trades included improved Foreign Credential Recognition that would more clearly identify skills and qualifications that are equivalent to the Red Seal and a more rigorous application of the Red Seal Program in Canada.

Introduction

The Canadian Apprenticeship Forum (CAF-FCA) recognized the growing importance of temporary foreign workers (TFWs) as a source of skilled labour at the peak of the economic cycle in 2007 and 2008.⁴ Stakeholders noted that this shift in hiring priorities may reflect new human resource and training strategies that would have an impact on the apprenticeship systems. This document offers a preliminary response to questions raised about these impacts.

Why was CAF-FCA motivated to explore this issue?

CAF-FCA was motivated to explore this issue because it is interested in exploring current human resource trends in the skilled trades that may affect apprenticeship systems across Canada.

Despite the current economic downturn, analysts predict that skills shortages, due to the retirement of baby boomers, will impair future growth if employers do not find ways to address their labour force needs. Employers have many options available to them. Hiring and retaining youth, transitioning workers, under represented-groups, older workers, immigrants, or TFWs are all options. The challenge for industry is to find the appropriate balance among all the options available.

Having an apprenticeship program as a part of a human resource strategy is one way to ensure employers avoid skills shortages and have journeypersons trained to meet their own specific needs long-term. Building one's own

workforce is advantageous because employers do not have to rely so heavily on the availability of externally-trained journeypersons. Apprentices become a pool of candidates for future management positions within employers' companies. There are also financial benefits to hiring apprentices and, over the course of an apprenticeship, these returns increase. There is some indication, however, that employers in Canada are not pursuing this option. As a part of a recent survey, a research firm asked employers whether or not they hired apprentices in addition to journeypersons. Fewer than 20 per cent of employers reported hiring both journeypersons and apprentices at their businesses. The other 80 per cent said they hired journeypersons only.⁵

While these rates of participation in apprenticeship were being reported, there was an increase in the use of TFWs in certain trades. Some employers in the trades found they could not find qualified skilled journeypersons and it was impairing their ability to complete projects. These employers used TFWs to meet their needs. Under the Temporary Foreign Worker Program (TFWP) employers can recruit workers from any country in the world to temporarily meet labour shortages in any occupation for an employment position that they are unable to fill with Canadian citizens or permanent residents.⁶ Many of these TFWs went to the West. Overall, Alberta recorded the entry of close to 10,000 foreign workers in 2005, the highest number on record.⁷ Overall, in 2006, there were 171,844 TFWs living in Canada, which represented a 122 per cent increase over 10 years.⁸

These trends raise interesting and fundamental questions about employers' human resource practices and Canada's training culture. Is there an appropriate balance in the way certain training options are being pursued? How are the options complementing or undermining one another in the workplace? What are employers' opinions about these human resource practices?

Key Research Questions

The CAF-FCA contracted Prism Economics and Analysis to complete the preliminary research. Drawing on interviews, focus groups, and available statistics, the research provides a better understanding of employer circumstances, government programs, and recommendations on gaps in current information. The scope of work included consultations with the full range of industry players including employers, federal and provincial government officials, trainers, and labour representatives.

A series of key questions guide the analysis. (See Appendix C for the exact questions that were asked of each group.)

Employers were asked:

- Their reasons for hiring TFWs.
- The number of TFWs employed in apprenticeable occupations.
- Their experiences in hiring TFWs.
- Their experience on the job, in areas such as supervision and technical skills.
- Related changes in long-term human resource strategies.

Government officials were asked about the effect of the growing interest in TFWs on their work environment, including:

- Added responsibility for assessing labour markets and the need for TFWs.
- Added responsibility for assessing the qualifications of and applications for TFWs.
- Added training activity.

Labour representatives and agencies involved with immigration were asked about their opinions and experiences regarding:

- Apparent impacts on the Canadian workforce and apprentices.

Each group was asked whether the practice of hiring TFWs complements or competes with the effectiveness of apprenticeship and Canada's long-term capacity to build a skilled workforce.

The research found that there are many dimensions to the impacts of TFWs in the labour markets. The numbers of TFWs remain small relative to the general workforce and the pool of registered apprentices in most occupations. However, there are specific markets where the number of arriving TFWs is large enough to have an impact. Further, some employers report plans and experiences that link the arrival of TFWs with their long term plans to build a skilled workforce. These plans and experiences are also linked to changing government policy. Labour leaders and community groups have highlighted circumstances where the management of the arriving TFWs might be associated with abuses of Canadian employment standards.

The findings are set out in the next five sections. Section two reports on labour market trends and potential impacts described from statistical sources. Section three covers the interviews with government officials and their observations. Section four reports on the findings from the interviews and focus groups held with employers. Section five summarizes the comments from the interviews and workshops with labour representatives and community groups. Conclusions are included in the last section.

Readers who may be unfamiliar with apprenticeship or the TFWP are encouraged to see Appendix A for a description of key terms, processes, and programs. This appendix provides background context to the report.

Labour Market Findings

One of the key questions raised was about the actual numbers of TFWs entering in skilled trades occupations. This section of the report draws together various statistical sources to describe the recent trends, the extent of hiring, and the relative number of TFWs in apprenticeable and related occupations.

Occupations and Apprenticeship

Concepts

Statistical impacts are assessed in the specific labour markets where the on-the-job implications are most immediate for both employers and the workforce. These markets are defined by geographic boundaries, usually provinces or territories, and occupations and trades, which are usually the four-digit National Occupations Classifications (NOC).

There are more than 300 apprenticeship programs offered across Canada. In many cases programs have been developed for different occupations and are unique to one or a few provinces or territories. This diversity creates the risk that this analysis might be spread across hundreds of markets. To focus attention and the available resources it was agreed that the study would focus on the Red Seal trades.⁹ In fact the Red Seal trades make up 88 per cent of national registration in apprenticeship programs.

Table 1: Red Seal Trades and Occupations

Truck and Transport Mechanic	Ironworker (Generalist)	Bricklayer
Industrial Electrician	Motorcycle Mechanic	Metal Fabricator (Fitter)
Powerline Technician	Painter and Decorator	Cabinetmaker
Instrumentation & Control Technician	Rig Technician	Tilesetter
Glazier	Plumber	Carpenter
Insulator (Heat and Frost)	Oil Heat System Technician	Tool and Die Maker
Heavy-Duty Equipment Technician	Refrigeration & Air-Conditioning Mechanic	Concrete Finisher
Landscape Horticulturist (in development at the time of research; designated in 2008)	Recreation-Vehicle Service Technician	Welder
Agricultural Equipment Technician	Partsperson/Storekeeper and Parts Clerk	Industrial Mechanic (Millwright)
Machinist	Lather (Interior Systems Mechanic)	Construction Craft Worker
Ironworker (Reinforcing)	Automotive Service Technician	Cook
Automotive Painter	Roofer	Mobile Crane Operator
Ironworker (Structural/Ornamental)	Transport Trailer Technician	Appliance Service Technician
Motor-Vehicle-Body Repairer (Metal and Paint)	Sheet-Metal Worker	Electric Motor System Technician,
	Baker	Construction Electrician
	Sprinkler System Installer	Electronics Technician – Consumer Products
	Boilermaker	Floorcovering Installer
	Steamfitter – Pipefitter	Hairstylist

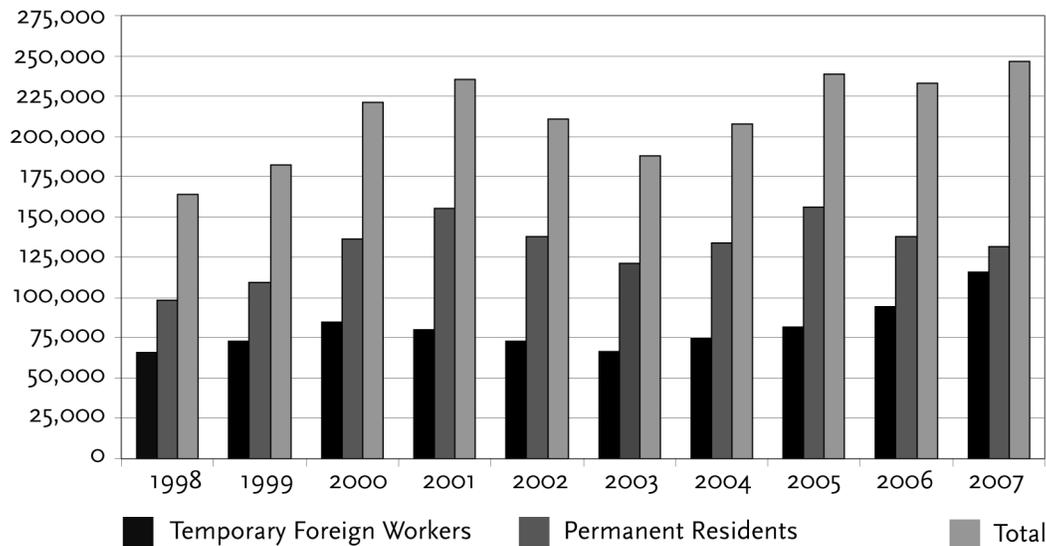
Source: *The Interprovincial Standards Red Seal Program*

Table 1 lists the occupations and trades that qualify for the Red Seal. This group of occupations is the primary focus of the research. Further, it was agreed that TFWs are concentrated in British Columbia, Alberta, and Ontario and that attention might further focus on these provinces. These priorities guided the consulting team, but did not preclude inquiry into other markets where evidence points to important potential impacts. Appendix B contains a more detailed accounting.

Provinces and territories, through their relationships with local industry, have different requirements dependent upon the trade. Some trades are considered compulsory, which requires the individual to have a Certificate of Qualification to work as a journeyman in that field. These compulsory trades are identified in Appendix B. In all other trades, apprenticeship and certification are voluntary.

This distinction is important to the process of integrating TFWs into the labour force.

Exhibit 1: New TFWs and Permanent Residents, All Occupations, 1998–2007



Source: Citizenship and Immigration Canada

Specifically, TFWs arriving to work in a compulsory trade are usually required to register with provincial or territorial apprenticeship authorities and must pass tests of their qualifications within a limited time to be permitted to remain on the job.¹⁰ TFWs arriving in voluntary trades and occupations face no requirements related to apprenticeship or certification. However, employers or the workers might choose to seek qualification and certification in their trade.

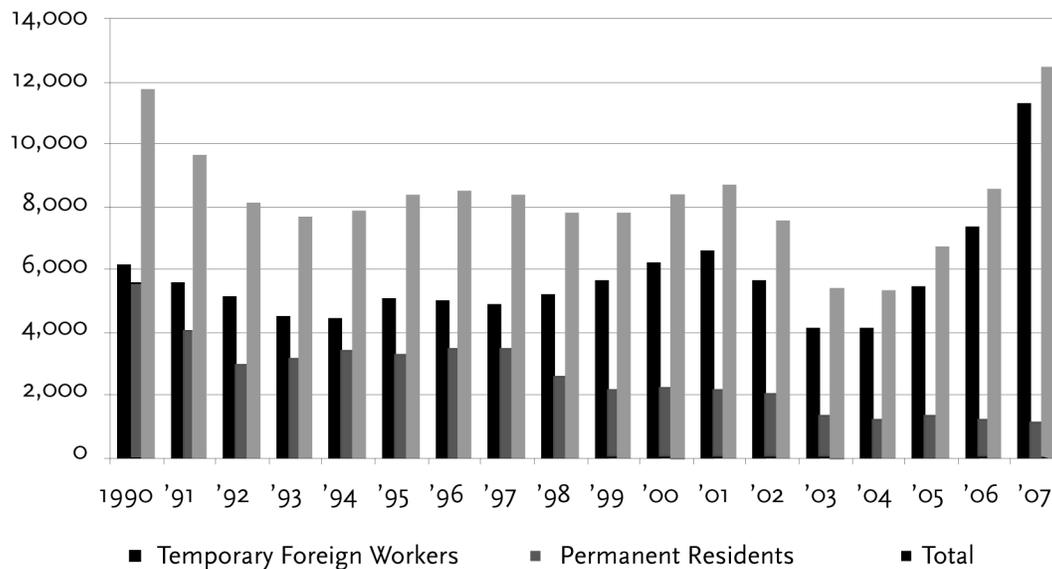
Measures and Findings

This section uses detailed data from CIC to report on the extent of TFWs and their numbers relative to employment and the population of apprentices in related occupations.

Immigration to Canada has been growing. Canada's demographic profile requires a steady increase in economic immigrants to balance the loss of aging and retiring baby boomers from the workforce. Exhibit 1 documents the trends from 1998 to 2007.

Exhibit 1 highlights the increase, since 2005, in TFWs relative to permanent residents in the immigration mix. This shift is an important development that may be driven by strong employment growth, emerging labour shortages, delays in traditional immigration, and government policy responses. Whatever the cause, there is growing concern that the shifting mix of arrivals and TFWs may have long-term implications for Canada's skilled labour force.¹¹

Exhibit 2: New TFWs and Permanent Residents in Red Seal Occupations, Canada, 1990–2007



Source: Citizenship and Immigration Canada

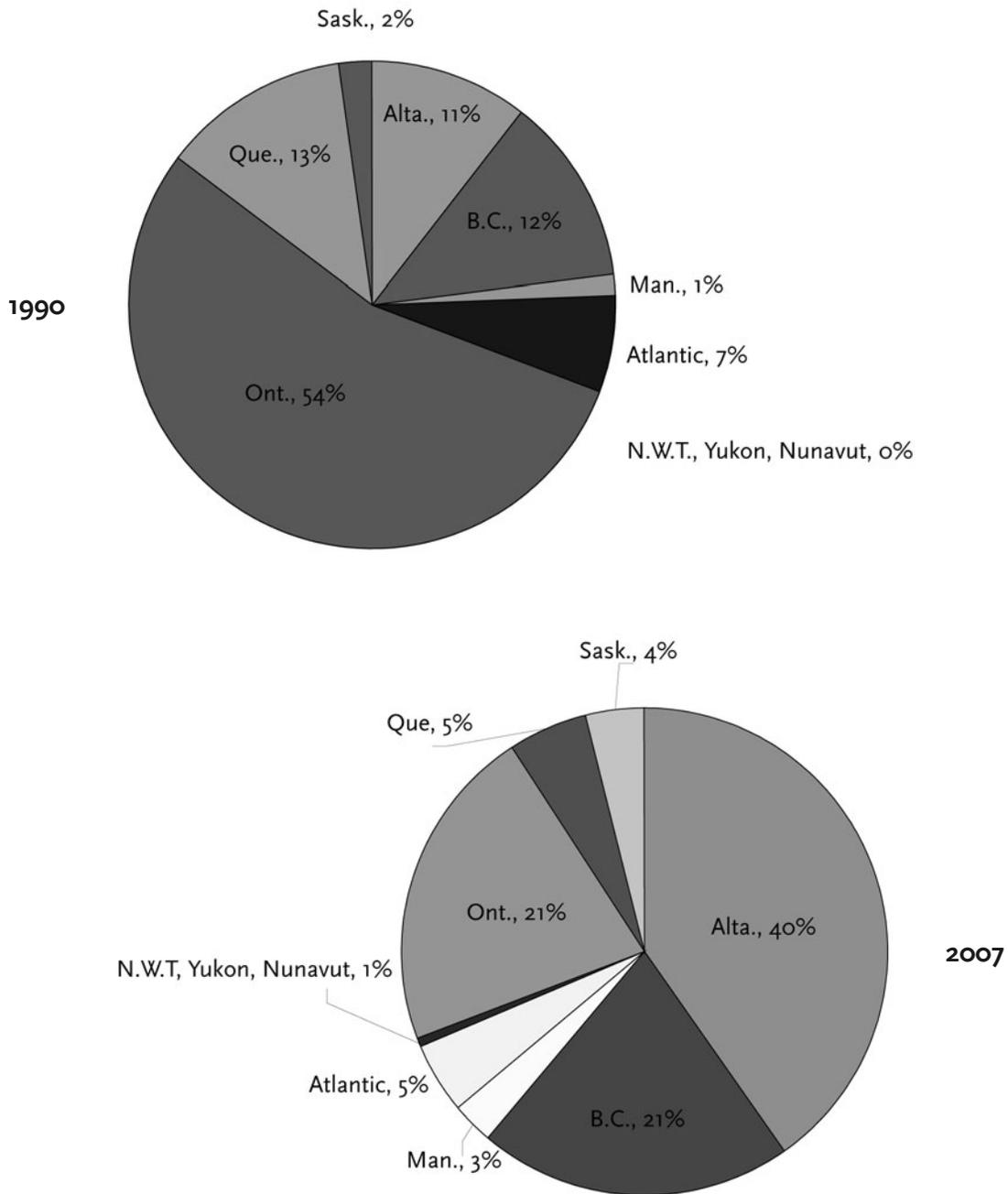
Exhibit 2 moves the analysis to the population of TFWs arriving in the Red Seal trades. There has been a big increase in the number of arriving TFWs – both in absolute terms and as a percentage of all TFWs. In 2007, this group exceeded the numbers recorded at the peak of the last cycle in 1990, and the proportion arriving as TFWs is much higher.

Results also point to the increasing importance of this group of occupations in overall immigration. For most of the period from 1990 to 2005 this group made up just under 5 per cent of all arriving TFWs. This proportion jumps to nearly 10 per cent in 2007.

Exhibit 2 also reveals the shift in immigration for the Red Seal occupations from permanent to temporary foreign workers. This shift parallels the national pattern for all occupations and adds evidence to support interest in how the long-term skill makeup in Canada may be altered by these trends.

Rising trends in immigration reported in Exhibits 1 and 2 are related to a shift to tighter markets in resource, construction, and other industries in the West. These were the labour markets where evidence of the most shortages appeared.

Exhibit 3: Provincial Distribution of TFWs in Red Seal Trades, 1990 and 2007



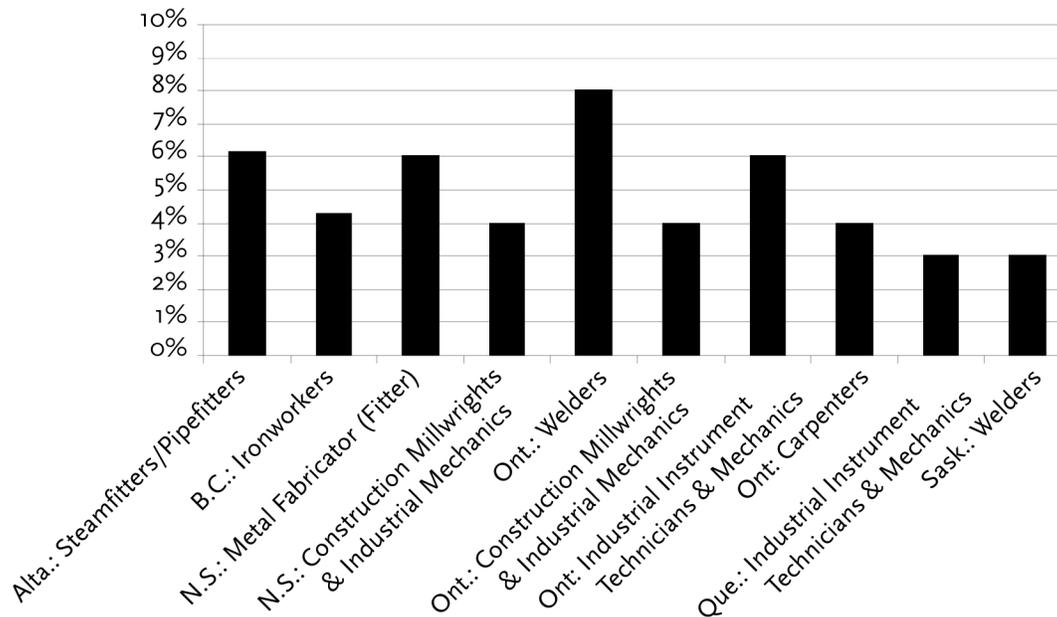
Source: Citizenship and Immigration Canada

Exhibit 3 reports the shift in the regional distribution of arriving TFWs in Red Seal trades into British Columbia and Alberta. Labour markets in other regions also tightened in the face of the resource boom, and there is the potential for impacts there as well.

The intention of immigration policies targeting TFWs is to isolate specific labour markets where short-term conditions create skill and labour shortages. Impacts of these policies might be expected to be limited to isolated labour markets. A further test was devised to investigate all the provincial and territorial labour markets potentially impacted by TFWs arriving in Red Seal trades. Calculations measured first the ratio of TFWs to the employed workforce and then the ratio of TFWs to registered apprentices for each market. The search was for specific markets where the ratios were notably high and might be considered high-impact situations.

Altogether this impact test considered 490 labour markets (fifty Red Seal trades in ten provincial and territorial markets) in 2007. The search for impacts focused on the top five labour markets in each province where TFWs arrived in the Red Seal trades. This limitation usually eliminated labour markets with fewer than 100 TFWs arriving in 2007. It is felt that groups of fewer than 100 TFWs are not likely to have lasting impacts in any market. Exhibits 4 and 5 report the ten labour markets across Canada where the impacts might be large.

Exhibit 4: Top Ten Canadian Labour Markets for TFWs, 2006 (as a percentage of total employment in Red Seal trades)



Source: Prism Economics and Analysis, Statistics Canada – Census 2006

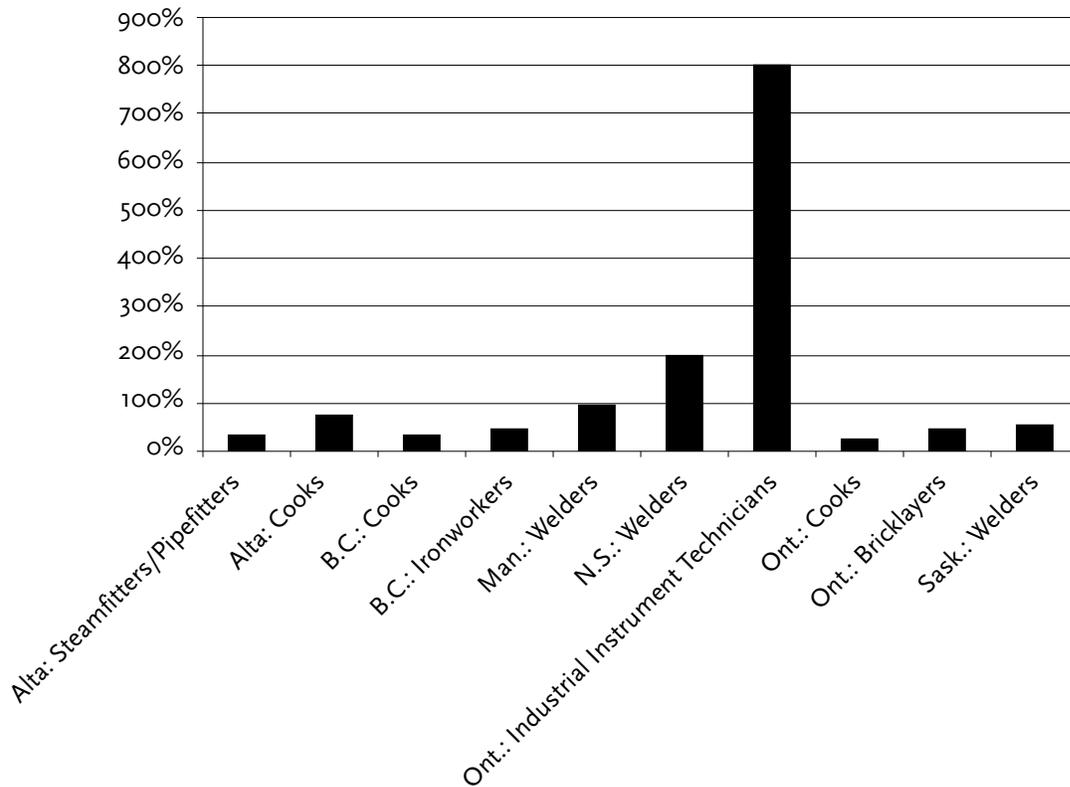
Exhibit 4 reports the top ten labour markets in Canada where the number of TFWs was a significant proportion of the total employed. These markets rarely have more than 5 per cent of the employed workforce represented by TFWs. There are a few notable exceptions where the proportion of TFWs is very large relative to employment. These situations include instrumentation mechanics and welders in several provinces. In general, the numerical impact of TFWs in most Red Seal occupations is small relative to the number of Canadians employed.

The findings reported in Exhibit 4 may be misleading if the distribution of apprentices is different from the general distribution of

the workforce. There is a possibility that TFWs will be arriving in workplaces with a high concentration of apprentices and this could create an impact even if their numbers are small relative to employment. To test this possibility, the research team compared the number of arriving TFWs to the population of registered apprentices in each labour market. Potential impacts might appear where there is a relatively large number of journeyman-equivalent TFWs introduced into a workplace with a high concentration of apprentices.

In general, the proportion of TFWs is small (less than 10 per cent) relative to the population of apprentices.

Exhibit 5: Top 10 Canadian Labour Markets for TFWs, 2006 (as a percentage of reg.'d apprentices)¹²



Source: Prism Economics and Analysis, Registered Apprenticeship Information System, and Statistics Canada – Census 2006

Exhibit 5 reports the notable exceptions are identified by highlighting cases where the number of TFWs is very high relative to apprenticeship registrations. Here again the instrumentation mechanics and welders emerge as a market for potential impacts.

These calculations highlight the potential for TFWs to have unexpected impacts as they arrive among a small and specialized group of Canadians. While their total number seems small and implies a diluted effect, the

market-specific impacts could be important in some markets.

The number of LMOs received and approved in 2008 confirms that the trends in TFWs continued.

Evidence of Labour and Skill Shortages

Important labour market changes for the Red Seal trades are at the root of the impacts. In fact, Canada's economic growth has been concentrated in new investment and resources industries for the last decade. This orientation

created jobs in construction, utilities and transportation – industries with a high concentration of Red Seal trades. Labour markets in general have been tightening as employment expands but labour force growth is restricted by demographic trends. This pattern creates a natural environment for increasing immigration. These conditions and the related labour and skills shortages are even more concentrated in the Red Seal trades.

Economics and demographics, then, are consistent with the rising proportion of TFWs in these trades. There is extensive evidence that labour markets were tight and that shortages existed for many of the Red Seal trades as the numbers of TFWs rose from 2003 to 2007. These labour market conditions are the starting point for employers seeking LMOs.

Apprentices in Red Seal trades are concentrated in tourism, construction, and transportation. Labour market conditions in these industries are generally perceived to have been tight and reports of skill and labour shortages were common, especially during 2008. While a detailed accounting of these conditions is beyond the scope of the report, findings from at least three groups help to explain human resource challenges.

First, in construction, market conditions have been shifting demand toward the major industrial construction trades, most of which depend on Red Seal apprenticeship programs for the long-term supply of the skilled workforce. This situation was captured in the “Construction Looking Forward” publication

from the Construction Sector Council (CSC) in 2008:

Analysis of the current construction environment highlights a critical situation in engineering and industrial building from 2007 to 2013. Provincial¹³ LMI Committees have provided project lists that detail the extent of the demands expected and the timing of many large projects. These lists and project schedules set out rising employment in a succession of provinces in the following key trades:

- Boilermakers
- Construction Managers
- Contractors and Supervisors
- Construction Millwrights
- Crane Operators
- Drillers and Blasters
- Heavy Equipment Operators
- Heavy Equipment Mechanics
- Insulators
- Ironworkers
- Steam, Pipe and Sprinkler Fitters
- Welders

Other key trades, including electricians, plumbers, sheet metal workers and carpenters are also engaged in the process, but their broad employment in other sectors partly conceals these impacts of the big projects. Specific trade specialties for these latter groups (e.g. industrial electricians, medical gas installation for plumbers and industrial scaffolding for carpenters) will experience market conditions similar to the above trades.¹⁴

This labour market assessment identifies skill and labour shortages in thirteen Red Seal Trades. The analysis of the CSC goes on to consider the longer term demographic trends and notes:

Short term needs will soon be compounded with long term demographic trends and associated retirements. Even with the continuing growth in construction activity, more new workers will be needed to replace retiring baby boomers (162,000) than to meet rising demand (94,000) over the 2008 – 2016 forecast period.¹⁵

The CSC analysis goes on to point out that the age profile of many of the Red Seal trades is older than average and the associated retirements will add to tight labour markets in the future. This story of short-term cyclical skill shortages followed by long-term demands related to retirement is repeated for the Red Seal trades in other industries.

Concluding comments in the CSC reports mention the priority that must be given to industry training and apprenticeship to meet these labour requirements.

The automotive service and repair industry is another key employer of Red Seal trades. A 2005 report, “The Road Ahead; Human Resource and Training Challenges in the Motive Power Service Sector,” from the Canadian Automotive Repair and Service (CARS) Council anticipated the skills shortage issue:

Cumulative shortages over the next ten years are projected to range between

43,700 to 77,150 positions. Labour shortages are already widespread across the sector, as almost one-half of employers reported that the lack of qualified staff was affecting the profitability of their organization. This large, and growing, labour deficit suggests that it is imperative that the sector take action to attract and retain workers in the repair and service sector.

Overall, almost one-half (48.1%) of employers reported that the insufficient supply of qualified staff to hire was a significant or very significant issue for their organization. Labour shortages were seen as a major problem among employers in the motorcycle repair sector (57.1%) and autobody/collision repair sector (54.3%). While there was little difference in opinion between employers located in rural areas compared with urban-based employers, staff shortages appear to be more problematic among employers located in Quebec (58.7%) and Western Canada (51.2%).¹⁶

CARS, like the CSC, points to apprenticeship as a critical component of the solution to labour shortages. The August 2009 CARS newsletter is devoted to new programs and the success of Canadian apprentices in the industry.

In a more recent update for the tourism industry, the Canadian Tourism Human Resource Council acknowledges that the recession is providing short-term relief, but returns to the common concern about shortages:

Labour shortages in the tourism sector are expected to ease substantially this year because of the economic conditions, but we cannot become complacent, as economic conditions improve, fuelling growth in demand for tourism services, the imbalance between labour supply and demand will begin to expand again.

Over the long term, Food and Beverage Services is forecast to suffer the largest labour shortage among all tourism industries; by 2025 this industry's potential supply of labour could fall short of demand by more than 172,000 full year jobs. Not surprisingly, occupations in Food and Beverage Services—such as food counter attendants, servers, cooks and bartenders—will experience the greatest labour shortages among tourism occupations.

Labour shortages are also projected for the Recreation and Entertainment, Transportation and Accommodation industries.¹⁷

Similar reports and conclusions are available from the Canadian Trucking Human Resources Council and the Electricity Sector Council. All report short-term cyclical shortages that will be followed by long-term challenges related to retirement. Red Seal trades are prominent among the occupations facing shortages and apprenticeship training is often cited as part of the solution in conjunction with other options such as immigration.

Implications from Measured Impacts

Immigration in the Red Seal trades has:

- » Increased from 1990 to 2007.
- » Shifted to TFWs from permanent residents.
- » Shifted to the Western provinces,
- » Introduced only small numbers of new workers into most markets, although there are exceptions for some trades.
- » Increased as labour markets for many related trades and occupations tightened and shortages were reported.

These trends are consistent with immigration policy and economic developments that characterize the period from 1990 to 2007. In general, the numbers of arriving TFWs are small relative to employment or apprenticeship registrations and would not seem likely to impact labour market balances or future trends.

However, statistics often conceal important findings and emerging developments. The next sections probe the experiences of several key groups.

Government – Impacts and Observations

This section considers the role of government officials and the demands placed on government due to the TFWP and related policies and processes. The opinions of the interviewees were sought and it is understood general conclusions should not be drawn from their statements. For an overview of how the TFWP process functions and some of the past programs relevant to the skilled trades see Appendix A.

Federal Departments

Four federal department and agencies are involved in the process of admitting TFWs. Research for this report focused on Human Resources Skills Development Canada (HRSDC) and CIC. HRSDC is the primary policy maker and designs and assesses requests for LMOs. CIC assesses applications for work permits and is the source for data on immigration in general and TFWs in particular. Interviews with officials and researchers at HRSDC added specific insights.

The availability of resources to manage the immigration process in general and the TFWP specifically is a key issue. Policy design, effective and timely administration, and enforcement practices are all labour intensive and responsibility is spread across the four departments with much of the administration in local offices. Many stakeholders interviewed for this report noted that changing regulations and local discretion in applying regulations are key features that add to the work involved for stakeholders.

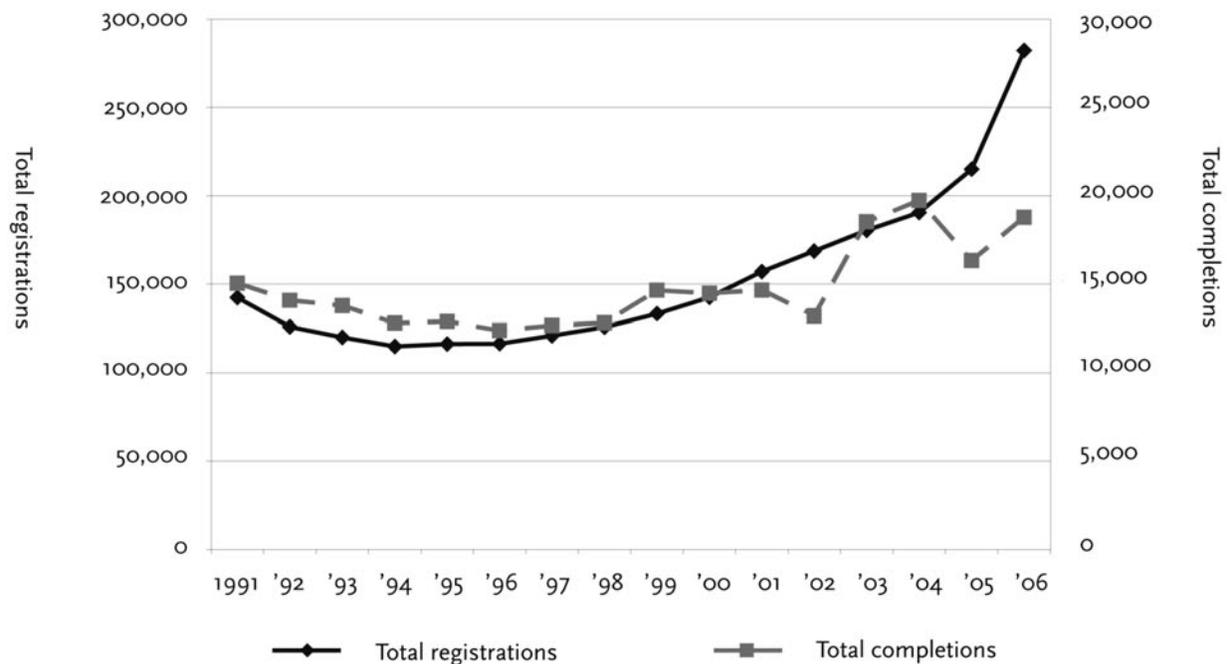
HRSDC is at the front end of the process as

they assess applications for LMOs. These applications are submitted by employers who describe both the details of the job offered and their recruiting and training practices related to the position. Further, employers are obliged to document a shortage of available Canadians by documenting job postings and applications. This initial stage is designed to prevent negative impacts on the Canadian labour market. Employers are required to offer market wages, consult with unions, advertise jobs, and document how TFWs, as well as their training programs, might enhance the skills of Canadians. The assessment of LMO applications at HRSDC and Service Canada could be used to encourage employers to seek TFWs that would be both qualified in a trade and become part of a company's apprenticeship training process.

During the interviews, the point was made that there is a difference between a demand for an occupation that may lend itself to apprenticeship and a demand for full journeypersons with the required training that is requested by employers. Interviews also revealed that it is unlikely that a temporary foreign worker will stay after one year without passing the Certificate of Qualification for his or her trade.

HRSDC officials emphasize that the TFWP is employer driven and their role is to assess applications. Once an application for an LMO has been assessed, the process shifts to CIC who must assess the work permit application of the TFWs to establish whether their qualifications meet the employer's requirements.

Exhibit 6: Red Seal Trades – Total Registrations, Completions in Canada, 1991–2006



Source: Statistics Canada and Registered Apprenticeship Information System

Officials interviewed for the study see these processes and regulations as one part of a much broader labour development policy that targets improving the skills of the Canadian workforce.

Provincial Ministries¹⁸

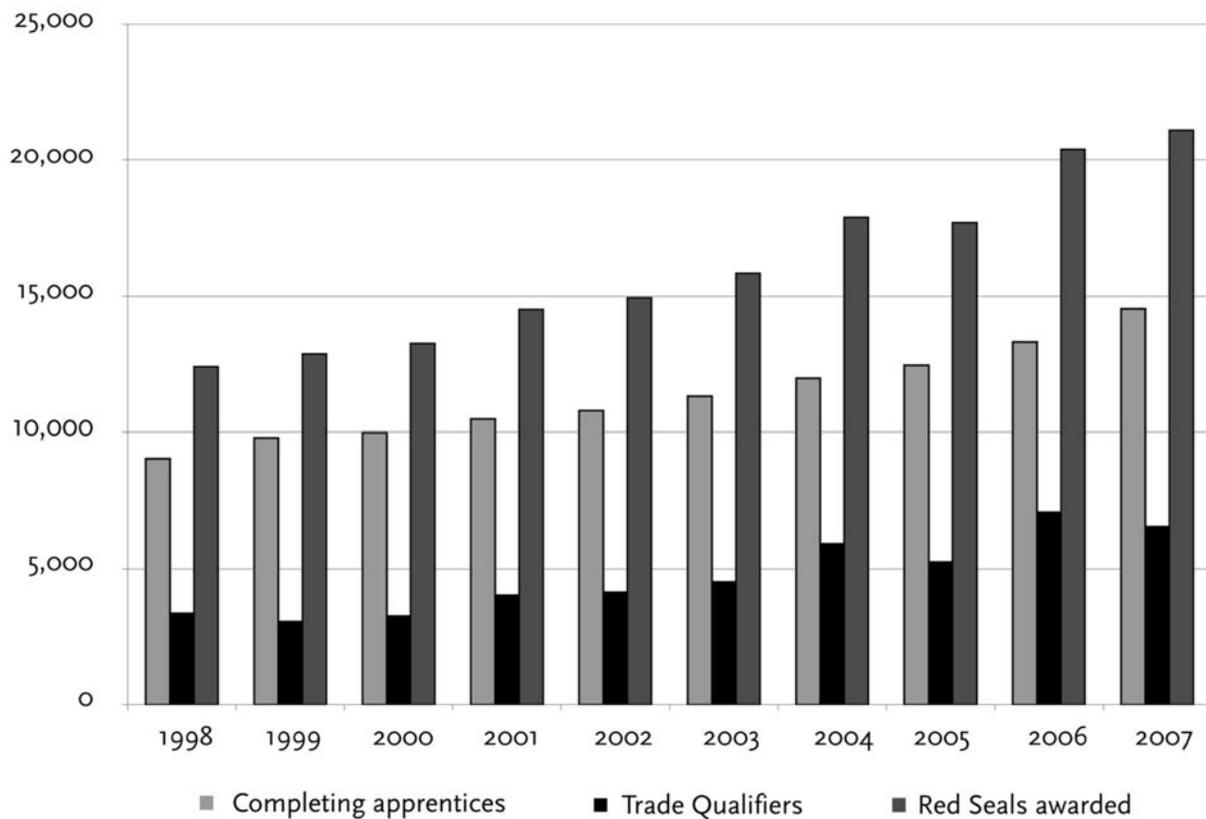
To put the interview findings in context, some overall statistics about apprenticeship registrations and completions are provided.

Strong employment demand, particularly in apprenticeable occupations, has characterized labour markets for at least ten years. These demands have prompted a steady expansion of apprenticeship programs across Canada.

Exhibit 6 reports trends in the growth of total registrations (up 140 per cent) and completions (up 50 per cent) in the Red Seal trades from the bottom of the cycle in 1996 to 2006.¹⁹

Data set out in Exhibit 7 outline the numbers of Red Seal endorsements awarded each year. There has been a 73 per cent increase in the number of Red Seals issued over the past ten years. The data distinguish between Red Seals awarded to completing apprentices and trade qualifiers. The latter group includes experienced tradespeople who challenge the examination without having completed the apprenticeship training. This group would include TFWs who are required or simply elect

Exhibit 7: Red Seal Endorsements Awarded in Canada, 1998–2007



Source: Red Seal Program Data

to gain a Red Seal. While most Red Seals are earned through apprenticeship, recent trends show stronger growth in awards through the trade qualifier route.

The increases in registrations and completions, as outlined in Exhibits 6 and 7, imply large increases in the work required by the apprenticeship branches.

As labour demands created shortages after 2005, this growth in apprenticeship programs

was coupled by increases in arrivals of TFWs. The discussion that follows considers how the coincidence of these two developments impacted provincial apprenticeship programs and the related work of other provincial departments involved with labour market policies.

The research team interviewed a group of fifteen government officials. This group included federal officials responsible for immigration and related issues, provincial

officials responsible for labour market policy and immigration, and apprenticeship officials. The latter group was the primary focus. Only provinces are referred to because no interviews with territorial officials were included due to territorial officials' minimal experience with TFWs.

Respondents were asked to describe the role played by officials and apprenticeship advisory committees in the assessment of labour markets and related policies. Respondents indicated that they largely respond to industry needs. Their focus is on admissions to and the content of apprenticeship training. They reported a variety of systems that track the need to prepare occupational analysis, adjust training programs, and estimate hiring needs by employers.

As workplace conditions change these groups would focus on the impact of technology and needed skills and the implications for curriculum, on-the-job training, and certification. This interaction with employers gives the apprenticeship systems a close appreciation of labour market conditions. In some cases these insights are passed on to government departments with responsibility for other aspects of labour market policy, including immigration.

Respondents from ministries and departments outside apprenticeship reported that they have no impact on training and certification. They report that the roles of apprenticeship officials and the advisory committees might overlap in discussion of labour force development issues. This does

not appear to be a regular component of work in either government group.

Asked specifically about the government's role in determining the need for TFWs, officials in apprenticeship systems reported that they generally have no role in these matters. Officials in federal and provincial immigration and related areas report several systems for tracking labour market conditions and assessing skill shortages that might be addressed by the TFWP. Related labour market information and associated strategies are often specific to occupations.

Apprenticeship officials, however, have a role in the process of skills assessment for TFWs. The role is generally limited to assessing credentials as part of the entry process for TFWs in apprenticeable trades. This work is usually focused on compulsory trades, where arriving TFWs are required to have their skills and qualifications assessed and then to successfully challenge the provincial certification exam. Respondents also reported provincial apprenticeship assessment departments that are available to review qualifications for voluntary as well as compulsory trades.

Some provinces report a special stream that allows TFWs with a Red Seal (having passed the appropriate provincial exams) to apply for permanent status under Provincial Nominee Programs (PNPs). Other provinces expressed a preference for skilled workers to arrive as permanent residents, not TFWs.

Respondents were asked if the increased

administration related to TFWs impacts the resources and staff time required in their jurisdiction. In general, most of Canada's apprenticeship programs are growing rapidly and this expansion creates administrative strains. Apprenticeship administrators in the West all reported a notable increase in work related to the arrival of TFWs. In general, the work was described as assessing the qualifications and testing TFWs in compulsory trades. Requests for assessments and opportunities to challenge exams in voluntary trades was also reported and sometimes associated with provincial practices of encouraging TFWs with a Red Seal to seek permanent residence through PNPs. Most provinces do not keep records that would quantify the exact burden on staff time related to TFWs. Administrators in Central and Atlantic Canada did not report any notable impact on staff time.

Provinces with the longest history of expanding TFW programs reported various processes to accommodate demands. This included employing part-time staff or volunteers from the trades to help assess qualifications. In some cases, testing was on a cost recovery basis. Provinces with more recent increases in demand report strains on available resources. Administrative burdens are often shared with community colleges.

Respondents discussed TFWs potential impact on on-the-job or in-school training. For example, one group reported that a TFW in a compulsory trade is assigned to be supervised by a journeyperson for a period prior to challenging the exam. Other

respondents indicated that in-school training is not likely affected because arriving TFWs in Red Seal trades are expected to have the equivalent skills and are not admitted into apprenticeship training. This implies that TFWs might add to the supervisory burden on-the-job but not to resources for in-school training.

Respondents were uncertain about the role of apprenticeship officials checking the training role of TFWs on-the-job. This was not reported as a regular part of work in the branches. This sort of verification might be connected with visits to employers on other matters such as safety.

One potential impact of increasing numbers of TFWs is the possible need for apprenticeship staff to travel to foreign countries to access the skills of potential workers. Respondents reported examples of this. Work on these initiatives is shared with community colleges and union or employer support groups.

The research team also asked government officials for examples of TFWs acting as journeypersons and successfully teaching Canadian apprentices. They were not able to report specific examples. All expected that this was a possible outcome and some associated mentorship skills with foreign workers from specific, usually European, countries. Some respondents noted that this practice might depend on foreign workers accumulating work experience and skills in Canada over an extended period before taking on mentorship or on-the-job training.

Respondents were asked about additional benefits and problems of having TFWs on a worksite. Each respondent offered at least one example of a benefit. A common benefit was the opportunity to learn from a wealth of alternative experiences and work styles and practices. This might extend to a greater appreciation of different cultures.

Respondents also noted that employers were pleased with the performance of TFWs on-the-job. Some problems were mentioned.

Problems were often associated with communication and language. There were also examples of cultural barriers. Language problems were associated with human resource management issues such as organizing work crews. In terms of safety issues, respondents could not comment as they had few specific examples based on their direct experience.

All the stakeholders consulted for this study were asked if TFWs in apprenticeable occupations are in competition with Canadian apprentices. Most respondents felt that when TFWs are being admitted at the journeyman level, they would not compete for work as an apprentice. Indeed, in principle, they would complement the system as mentors. They also noted that arriving TFWs fill jobs on a temporary basis where no Canadians are available. These views were sometimes balanced by concerns about the potential for competition. Some respondents noted that there have been too few TFWs in the labour force to know the answer.

Similarly, all participants were asked if the TFWP can assist in the development of a

strong training culture in the short term or long term. Respondents were split on this question. Where the TFWP is strictly understood to be a short-term alternative, the program was not associated with any long-term training culture. This view dominated in provinces with the fewest temporary foreign workers. Alternatively, respondents saw a strong and deliberate link with skilled TFWs being encouraged to stay as permanent residents under Provincial Nominee Programs or the federal Canadian Experience Class. In this case there was a more long-term view in mind. Most respondents noted that TFWs who are expected to stay and contribute to the long-term training culture need additional training in Canadian practices and codes.

Respondents offered a broad range of thoughts on other potential impacts of TFWs on apprenticeship. One noted that the impacts would depend on the overall number of TFWs compared to the current workforce and pool of apprentices. Some noted that if the number of TFWs continues to increase, then more attention is needed to strengthen their abilities to train Canadian apprentices.

Impacts on Employers

The core of the research is an inquiry into the human resource strategies and circumstances of employers. This section of the report includes findings from a series of focus groups and interviews with employers. The opinions expressed are not statistically significant and generalized conclusions should not be drawn based on this relatively small and specific set of employers.

The insights sought by the CAF-FCA emerge from the experiences and plans of human resource managers, supervisors, and the workforce in a very specific group of Canadian companies. These firms employ both TFWs and apprentices in the Red Seal trades. Further, the terms of reference asked for some segmentation of these businesses across industries, regions, and other characteristics.

The research team organized five focus groups and a series of related interviews with managers. Thirty participants came to the sessions from twenty-seven businesses and three support groups. Cumulatively, participants employed approximately 8,415 journeypersons or tradespeople, 2,298 apprentices, and 1,298 temporary foreign workers.²⁰ Sessions included businesses:

- » Located in Calgary, Edmonton, Saskatoon, Toronto, and Vancouver.
- » Working in construction, manufacturing, accommodations, automobile services, retail, food services, and trucking.
- » Employing heavy-equipment mechanics, steamfitters and pipefitters, welders, electricians, carpenters, insulators, auto service technicians, bricklayers, millwrights,

roofers, ironworkers, cabinet makers, boilermakers, concrete finishers, cooks, and bakers.

- » That range from small businesses specializing in one type of trade to the largest Canadian businesses in construction, retail, and auto services.
- » Among the largest union and non-union businesses in their industries.

Participants included several firms that began recruiting through the TFWP as early as 2005 and employed hundreds of TFWs at the peak. All these firms are active in provincial apprenticeship programs and employed TFWs in Red Seal trades.

Discussions focused on the interplay between TFWs and apprentices. Three-hour sessions were divided into time for introductions and background, reasons for hiring TFWs and apprentices, recruiting challenges, workplace experiences, and longer-term human resource strategies.

Background

Each participant described their firm, the number of employees and trades for both TFWs and apprentices, and their roles in managing the related processes. Participants often knew each other and shared experiences working with other stakeholders including the provincial apprenticeship branches, provincial immigration officials, HRSDC, CIC, Canadian Border Services Agency (CBSA), and Service Canada staff. Many participants have been assigned specific business responsibility for recruiting and training TFWs and many are

adept and well-briefed in the details of working with these systems. As their circumstances became clear it was often apparent that the success of their firms from 2005 to 2008 was linked to their capacity to use the TFWP and apprenticeship systems to add to their skilled workforce.

Reasons for Hiring

The focus groups began with a discussion of reasons for hiring both TFWs and apprentices.

Participants all described acute shortages of skills and qualified applicants for key positions as the starting point. Shortages were usually attributed to the general cyclical growth in business and major new projects. Turnover among Canadian staff, often related to poaching by competitors, was a common reality. Participants all described accessing Canadian sources, including workers from other provinces and unions. In many cases access to these groups was largely exhausted as early as 2005.

“The Union has not had any manpower available for four or five years, at any level.”

As the discussion turned to recruiting TFWs, participants expanded on various circumstances that made this option more attractive. They spoke of unrealistically high wage expectations and a lack of motivation on the part of Canadians. Where Canadians from

out-of-province were hired, they reported high travel and accommodation costs and the risk of turnover.

“If we could fill the positions in Canada, of course it would be easier. We get a lot from the East Coast, but their roots are still back East and they leave. So they never fit into a leadership strategy because they don’t stay.”

In general, a shortage of qualified Canadian applications combined with rising staff needs prompted participants to turn to TFWs. Respondents usually had extensive experience with apprentices. Their continuing commitment to the program was related to a need to train individuals in new technology and to help individuals to acquire experience across a range of work areas. Employers associated apprenticeship training and certification with increased quality, safety, and productivity. These advantages were also linked to the opportunity to train individuals to company-specific standards.

Participants employed a mix of compulsory and voluntary trades. They accepted the requirements of compulsory certification as a natural part of their business and had many comments about working with the apprenticeship branches. The requirement to qualify TFWs in compulsory trades was the most common link that joined the programs. Employers noted that a six-month period mandated for TFWs to challenge the exams

was often too short and did not allow time for TFWs to prepare. They reported investing in preliminary training to help TFWs qualify, usually in language courses. There were only a few comments about the need for journeypersons to monitor TFWs prior to their qualification. Efforts needed to qualify TFWs in compulsory trades were not highlighted as a major burden or problem.

Employers at the sessions often mentioned their efforts to qualify voluntary trades through the apprenticeship system. This was linked to corporate preferences for certified workers. There was also a shared desire for the TFWs to remain in Canada after their work permits expired. In many cases, employers reported that having a trade qualification would improve the workers' chances of acceptance by a Provincial Nominee Program or the Canadian Experience Class.

“We were lucky because we had an interpreter (Ukrainian) but I’ve had workers come that I can’t put them on the floor because their language skills (or lack of them) make them unsafe.”

In summary, employers attending the focus groups readily linked TFWs in Red Seal trades and apprenticeship programs through their hiring and certification practices. Assuring the technical skills of their workforce was at the centre of their plans.

“For auto technicians, you can’t just make skills simpler, so you need apprenticeship and that training because it’s not like construction where it is just labour. Especially with computer technology in the cars, it’s about skill enhancement.”

Recruiting Challenges

Participants were asked to describe more of the details and the challenges in recruiting Red Seal trades. They were asked to distinguish their experience with Canadians, both entry-level and journeypersons, and TFWs. Benefits and costs were considered.

Several common themes emerged. A clear distinction emerged between qualified journeypersons and entry-level recruits. The former were generally not available and the skill shortage was concentrated there. Entry-level candidates were more generally available.

Participants reported a range of situations in recruiting entry-level Canadians. Few employers reported difficulty finding a new recruit. Many employers indicated that they regularly work with trades promotion programs and hire co-op students, often from high schools. Problems emerge quickly for employers as the new entrants are exposed to working conditions. Turnover is often high and rapid with entrants leaving after a few days or weeks on-the-job. This was particularly common in trades like roofing and in ironwork.

Employers went on to describe the costs and frustrations of nurturing and training new entrants only to have them poached by competitors. These conditions are not new and

employers indicated that they have many strategies to cope. There was some evidence that these challenges with entry-level positions had grown more acute with the strength of the economy, but were easing during 2009 with the impact of the recession.

“One of the biggest complaints we get is that members invest in training, so you bring some guy along, train him and then a competitor will come along and offer to pay the worker more and they are gone. The foreign worker does not have the freedom to move as much as Canadians, though.”

Recruiting TFWs, however, has challenges of its own. Several participants in the focus groups worked with firms that made clear business decisions to hire TFWs and invested extensively in the effort. Participants were often devoting much or all of their time to understanding the details, policies, and processes that surround hiring TFWs. The biggest players in this effort reported devoting entire human resource staff groups to securing TFWs.

Many support groups and businesses have grown to help in the process. This includes industry associations and community groups who support the interests of both employers and TFWs. There are also many immigration consultants and labour brokers providing services in the area. Participants often described problems and improper and illegal practices sometimes associated with this latter

“There are economies of scale; if you are big enough you can go to a country yourself and set up shop. When you are a smaller company you have no choice – you go with the recruiter. It’s about a \$10k bill.”

group. Challenges and pressures associated with hiring TFWs have created a complex and potentially risky business environment.

Recruiters reported average costs between \$5,000 and \$20,000 to bring a TFW to a job site. These costs and many other aspects of recruiting TFWs depend on the size and human resource strategies of businesses. Participants represented firms that had invested heavily over several years (some starting in 2005) learning about the processes involved in hiring TFWs. While the process was clearly difficult, these firms often reported success in building a skilled workforce that helped them secure new business at a time

“If you are a company of five people, who are you going to send overseas to recruit? How do you do it? You look at all the paperwork and you say, ‘I don’t have time for all that paperwork.’ We took the bull by the horns and went over ourselves. We tried to bring over as many as we could who were qualified.”

when competitors could not find staff. On the other hand, some participants working with smaller firms were struggling with the costs, risks, and variability of processes. Success for this group was less obvious.

Workplace Experience

The ultimate test of TFWs and apprentices working together is on-the-job. Each participant was asked to describe their firm's experiences for each group across several dimensions.

When asked for general observations about the technical qualifications, productivity, and effectiveness of TFWs, most participants reported positive experiences. There were few complaints about the skills of the workers and many anecdotes about their success and solid productivity. Participants suggested that the technical capabilities of TFWs were distributed from poor to excellent in much the same manner as Canadians.

As discussions turned to conditions on-the-job, participants shared anecdotes that highlighted both the successes and challenges of TFWs. Stories featured the distinct characteristics of specific national groups, combining evidence of strong technical skills or work ethic with stories of disappointments. In general, these experiences, while unique in many ways, repeated the success and challenges that might be expected from Canadian crews on the same jobs.

Participants focused on the experience of compulsory trades as they challenged provincial exams. This is a crucial test of the effectiveness of TFWs in certain situations. There was no clear consensus in the discussions, with some reports of difficulties and multiple failures. These were often attributed to language problems or, less frequently, to the challenges of Foreign

Credential Recognition. There were also many reports of consistent success in getting skilled TFWs through key tests and qualifications.

Facilitators asked specifically about safety issues. There were often concerns about safety and these were linked to language and cultural issues. Anxiety arose where TFWs lacked skills in English and were reluctant to admit that they did not understand instructions. More experienced employers found innovative ways to solve these problems.

“We got some Chinese who didn’t speak English. We needed them. We were going to lose work if we didn’t get workers. We dealt with the language barrier. We advertised for a translator \$18.20 per hour. We had a translator who ... was on- the- job translating.”

Employing TFWs required changes to work organization. On big industrial construction sites, this involves organizing crews and schedules to meet the circumstances of TFWs. On most job sites, employers had experimented with different arrangements for teams and supervision. Participants had employed different strategies. Some placed groups of TFWs together to work around language problems, while others found success by deliberately mixing TFWs with Canadians. The effectiveness of these arrangements depended, in part, on the cultural traditions and nationality of groups involved.

Facilitators asked about supervision. With regard to Canadians supervising TFWs, the participants described many situations that generally pointed to a need to train Canadians in the special skills involved. There were anecdotes describing both problems and success. In general, employers reported more success as time passed, as TFWs proved their technical competence and attitudes stabilized.

With regard to TFWs supervising Canadians, employers reported limited experiences, but all acknowledged potential for these arrangements. There were reports of TFWs successfully supervising Canadian apprentices. In some cases the supervision highlighted the distinct skills and experience of TFWs. Canadian apprentices were reported to be attracted to TFWs with extensive experience from several international jobs.

“When we hire it is with the intention that they will stay because now they have two years of experience with our company. We have three workers now that are permanent through the Provincial Nominee Program.”

There were many contrary experiences where employers were unsuccessful or unwilling to have TFWs supervise Canadian apprentices. In general, participants expected that the best TFWs would grow into supervisory roles over time. For some, this progression was part of their HR planning.

Discussion frequently returned to the theme

“We nominate every TFW that we think would be a good addition to the company and the country.”

of long-term benefits as TFWs grew more familiar with Canadian practices and English. Employers were clearly focused on these emerging benefits and were confident that the firm would successfully build a skilled workforce over time. This repeated expectation highlighted a key finding: *both employers and TFWs expect the employment relationship to extend well beyond the original time frames identified in the LMOs and work permits.*

The closer the research team got to the employers, TFWs, and their practices, the clearer it was that few expect these relationships to be temporary. TFWs hoped that their time in Canada would be extended. Employers encouraged many in this hope by working with them on applications for Provincial Nominee Programs or the Canadian Experience Class standing. Provincial governments often encourage the same arrangements. In particular, the provinces encourage efforts to secure permanent residence for qualified and certified Red Seal journeypersons. There are variations on this theme, as some provinces encourage permanent resident status from the start while others recognize the TFWP as a starting point.

Human Resource Strategies

The final discussions moved to broader perspectives on labour markets, skilled workers, and human resource strategies. Facilitators usually initiated this by turning to the age profile of the workforce and recruiting

“There was a real gap in construction because for a number of years in the 1990s no one was hiring apprentices. So there is a gap.”

challenges in replacing retiring workers. Employers all recognized this challenge and described corporate approaches to retain and to build the needed skills and experience. For most of the participants, the recent investment in TFWs was just one part of a larger plan. Apprenticeship was another part. These efforts come together as apprentices progress through the provincial programs and TFWs gain permanent residence and take on supervisory roles.

“There is a demographic hole that has been apparent for a while, so, demographically if there is a hole for 36-40 year olds, if we could bring TFWs in first to fill that hole, that would help us out tremendously.”

The first point of discussion was the general expectation that the current recession was only a short-term interruption in an ongoing period of skill shortages and labour restrictions. While most of the participants acknowledged the layoffs and adjustments of the recession, few dwelt on this situation and most expected that it would soon pass. There were reports of renewed applications for LMOs and frustrations with CIC and CBSA officials who are turning TFWs away because of the recession.

This approach is an affirmation of plans to hire both foreign workers and apprentices over the long term. Many employers attending the focus groups see these approaches as

complementary because of the specific age gap and shortages of journeypersons noted above.

A second and important point of discussion was the shared experience of shortages of qualified journeypersons in the Red Seal trades able to supervise apprentices. These shortages were often identified as major bottlenecks in long-term human resource strategies.

This finding provides a clear answer to a central question posed by the CAF-FCA, whether employers see apprenticeship and the hiring of TFWs as complementing each other. Employers participating in the research see a strong complementary relationship. It seems that this view is shared by many provinces and is built into the emerging process of streaming TFWs into Provincial Nominee Programs. Few of the stakeholders who participated in the study described competition between apprentices and TFWs. There are long-term developments that might promote such a conflict, but this would likely relate to the continuing shift to much higher arrivals of TFWs in the occupations related to entry into Red Seal trades.

“Six years ago, our company had 80 people and two years ago, we were up at 450. In that kind of growth, you are pulling your experienced Canadians out and putting them into management positions. So we had a void. Then we got Brits as foremen.”

Observations from Labour Workshop

The consulting team interviewed and met with some organized labour groups and community organizations that work with TFWs in the Red Seal trades.²¹ This section summarizes the perspectives of these participants. The findings are not necessarily representative of the opinions of broader groups and are not statistically significant.

These groups focused on the benefits and the potential disruptive impacts and abuses of the system. Care was taken to focus on the impacts on apprenticeship.²²

These groups recognize the potential need for short-term additions to the skilled labour force. Their point of view often takes a broader perspective than the earlier participants. This group asserts that it is important to assess labour market and apprenticeship impacts in relation to changes in other regulations and policies, along with industry training and certification practices.

Background

Turning first to the number of TFWs arriving in the trades in relation to the existing workforce, participants acknowledged that numbers are small. Further, the Building Trades Union noted that many TFWs are from the United States and often carry travel cards from the United States locals of their unions. This leaves even fewer TFWs from overseas in Red Seal trades.

These findings create the appearance that overall impacts are limited. However, participants raised concerns that important

impacts might still be expected. For example, the CIC data used in Exhibits 1 and 2 track the flow of new TFWs without accounting for their rate of exit. As noted earlier in the report, many stay as permanent residents, with extended LMOs and work permits. In addition, a submission paper from the British Columbia and Yukon Territory Building and Construction Trades Council notes that others stay after work permits expire by hiding in the underground economy. The number of TFWs in Canada may be rising faster than CIC data suggests.²³

Participants agreed with earlier findings in this report and noted that *if* the use of TFWs truly identifies a national shortage of Canadians, then their use fills a need. Participants recognized that some employers intend to complement their apprenticeship training with the addition of skilled TFWs and will apply high standards of training and certification. However, participants asserted that these conditions are often not present.

For instance, participants commented that the measures used to identify a labour shortage are too limited. An apparent national shortage often conceals unemployed or underemployed skilled journeypersons in other regions who are reluctant to move because of costs or other barriers. The use of TFWs must be balanced with other government initiatives that encourage internal mobility of fully skilled journeypersons. It was perceived that many more Canadians would apply for the posted jobs if the amounts spent by employers arranging the arrival of TFWs were rechanneled to pay the travel and accommodation costs of Canadians.

Further, the apparent shortage identified in an LMO may conceal a willing, but untrained workforce in specific communities, such as in Aboriginal communities.

Referring to the broader context of government policy and mobility of the Red Seal trades, participants perceived that recent revisions to the Agreement on Internal Trade, while allowing more mobility, will, in their opinion, undermine the Red Seal system and reduce the current national standard to the lowest provincial standard.

The test for labour market shortages in the LMO process, they feel, is incomplete.

Mobility problems within the provinces and territories and across the country were raised by many unions. For instance, a business manager of a local bricklayers union commented:

I've got sixteen tilesetters in Montreal who would love to come to B.C. I could put them to work tomorrow but they need LOA (Living Out Allowances). They maintain their home and family in Quebec. They won't come to B.C. unless their living expenses are covered.²⁴

Recruiting Challenges

Turning to recruiting issues, the participants encouraged a broader focus on the qualifications of TFWs with skills that apparently match Red Seal standards.

When unqualified TFWs enter the workforce,

participants asserted that the pool of journeypersons available to mentor Canadian apprentices is reduced and diluted. In the experience of this group:

- » TFWs, similar to other trade-qualifiers in compulsory trades, can be given provisional licenses and can be given extensions. The number of extensions varies by province or territory. It was felt that TFWs arriving in compulsory trades often fail the provincial or territorial Certificate of Qualification and the granting of provisional licenses and extensions in these cases was problematic.
- » Unqualified TFWs arriving in compulsory trades can pass the exams based on technical knowledge (they may be engineers or engineering technologists in their countries of origin), but they lack practical skills and on-the-job experience, and cannot function effectively at work.
- » Unqualified TFWs from many countries are admitted without the adequate technical or language skills to mentor Canadian apprentices.
- » TFWs enter Red Seal occupations and remain in Canada illegally after their work permits expire. There is no count of these individuals. As their numbers increase, the pool of skilled trade journeypersons in Canada will be diluted.

During the discussions, participants noted that there are exceptions to these problems. However, the exceptions are usually Americans from Building Trades locals. These

Americans come up on travel cards. They have the needed skills and are able to mentor apprentices.

The participants also recognized that the pool of skilled-trades workers in Canada can increase if foreign workers are properly qualified. Participants agreed that this is a legitimate approach to meeting long-term employment needs *when the foreign workers are permanent immigrants and have gained admittance through the Provincial Nominee or Canadian Experience Class programs*. Under these circumstances these new workers would be entitled to all the opportunities and protection available to Canadians.

Discussion turned to the distinct circumstances that confront unskilled TFWs in the NOC C and D occupations. Participants raised concerns and cited examples of unskilled TFWs competing with Canadians for entry-level apprenticeship positions. As noted in the British Columbia and Yukon Territory Building and Construction Trades Council submission:

The BC Building Trades experience clearly shows that some apprentices and youth were unable to find employment during construction boom 2006–2008. TFWs were employed in their place. TFWs were recruited over domestic workers because of: the absence of mobility incentives and lack of LOA [living out allowance] for domestic apprentices and the unemployed, TFWs willingness to accept low wages, unacceptable Occupational Health and Safety conditions, and the ready

acquiescence of vulnerable migrant workers.²⁵

Work Experience

Turning to work experience, participants from the labour workshop noted that some employers, in their opinion, use TFWs as a source of unqualified tradespeople. When technical and communication weaknesses are identified, employers organize the TFWs into work teams that are separate from Canadian apprentices and journeypersons. It is also perceived that some employers do not pay the required market wages.²⁶ These practices displace and discourage Canadian journeypersons and show no regard for the long-term depth of skills in the Canadian workforce. Language barriers create safety risks on-the-job.

Short- and Long-term Perspectives

According to the participants in the labour workshop, they perceive a proper assessment of the impacts of TFWs on apprenticeship requires a detailed, broad, short- and long-term perspective. For example:

- » If the precise intent of the LMO or work permit process was followed and enforced in a consistent manner across government departments, then some of the potential abuses would be mitigated. Inconsistent application and the lack of enforcement, however, is undermining the process.
- » In principle, the use of TFWs sees the admission of properly qualified

journeypersons who contribute to apprenticeship training and raising skill levels, *but*

- inadequate enforcement of the terms of the LMO
- inadequate assessment of the qualifications of TFWs when work permits are issued

allows unskilled TFWs into Canada.

- » Diluting the depth and breadth of skills taught and required of Canadian journeypersons implies the equivalent lowering of qualifications required of TFWs.

The last point is important and highlights the growing risk that the skills of the Canadian workforce will weaken over the long term. These risks arise from the combined impacts of changing regulations and policies on both Canadians and TFWs. Participants described examples where expanding apprenticeship and certification to include trade specializations and /or lower ratios of journeypersons to apprentices undermines the quality of on-the-job training. These lower skills weaken the on-the-job training apprentices can receive from both qualified Canadian journeypersons and TFWs qualified as journeypersons.

Seen from this broader perspective there is a risk that the use of TFWs under the current framework will work in concert with other recent changes in regulations to weaken the depth and breadth of journeypersons' skills and, in turn, their capacity to train apprentices. According to the participants, these changes also include revisions to the Agreement on Internal Trade that dilute Canadian standards.

These lower standards are then applied to TFWs.

Research proposed by these participants included tracking the number of TFWs in the Red Seal and entry-level occupations that remain in Canada once their LMOs or work permits expire. This will help to assess the growing impact of TFWs and their potential competition with Canadians who seek entry-level jobs:

Research is required into the number and impact of TFWs who remain in Canada after their work permits have expired. There are numerous stories of undocumented workers in the underground, black-market construction economy. Many of these workers came to the country legally as documented TFWs but failed to return to their home country when their permits expired.²⁷

Other recommendations included improved Foreign Credential Recognition that would more clearly identify skills and qualifications that are equivalent to the Red Seal and a more rigorous application of the Red Seal Program in Canada.

Conclusions

This final section draws together conclusions from the study and sets out some areas where future research may be warranted.

The study has investigated several possible impacts of the increasing number of TFWs on the Canadian apprenticeship systems. From an economy-wide point of view, these impacts are not likely to be significant. While the total number of TFWs has been rising, their numbers remain low relative to the total workforce. When the analysis focuses on smaller and more specific labour markets for the Red Seal trades, the overall impressions remain the same. With the exception of a few trades, the arriving TFWs are rarely more than 1 per cent of the workforce. In a few markets their numbers do appear large relative to registered apprentices.

The findings identify a perception among some employers that there is a demographic gap in the population of journeypersons that creates a specific human resource challenge. In particular, there is a national shortage of journeypersons with around ten years experience in many trades. This shortage, combined with the recent large increase in the numbers of apprentices, limits the number of experienced workers who can mentor apprentices on-the-job.

Further, some employers see recruiting qualified foreign workers as a way to fill this journeyperson gap. Policy developments and economic circumstances have further focused these employers on TFWs. Their long-term needs encourage employers to help preferred TFWs remain in Canada under the Provincial Nominee or Experienced Worker programs.

Employers have invested in this approach and experienced some success. They report that, given time, they will build a workforce of skilled and experienced foreign journeypersons who alleviate labour shortages. They see government immigration policy supporting this approach and expect to build their skilled workforce in this manner.

These findings imply that there will be important changes in the apprenticeship programs in the future. In particular, there will be a growing focus on developing on-the-job mentoring practices that facilitate on-the-job learning by Canadian apprentices working with foreign journeypersons.

Organized labour groups and community organizations offered a broader perspective on the impact of TFWs, considering both the potential uses and abuses of the system. These groups recognized that, *in principle*, the use of TFWs to relieve short-term labour shortages could benefit Canadian labour markets. Participants described the positive contributions of employers who use TFWs with integrity and use it to add to the depth and breadth of the workforce.

Their experience, however, highlighted many examples of abuses that threaten to weaken the long-term quality of Canada's workforce. Inadequate enforcement of the system of LMOs and work permits was cited as a common problem. Similarly, frequent changes to and variable and inconsistent application of provisions weakens the system. The outcome, in their experience, is the arrival and the retention of a number of unqualified TFWs in

the Red Seal trades. If continued, this process will gradually undermine the effective mentoring and on-the-job training of apprentices.

The relatively small number of TFWs arriving in the Red Seal trades might appear to limit these negative impacts. Participants at the labour workshops argued that this appearance is misleading, especially if unqualified TFWs remain in Canada. Those in compulsory trades might use repeated attempts at provincial or territorial exams to extend their work permits and others may move into the underground economy if their work permits are lifted.

Future Research

Although CAF-FCA will most likely not be pursuing additional research on this topic at the present time, other organizations may be interested in some of the avenues for further research that the consultant suggested. Additional research could track developments and confirm some of the basic expectations that drive the policies and practices found here. Elements of the research could include:

- » An extended inquiry that adds more employers and government workers. Interviews, focus groups, and surveys could probe more deeply into industries (e.g., tourism and accommodation) from which relatively few people participated in this preliminary analysis. Interviews with federal officials in the regions might also be warranted.
- » Tracking labour market assessments for Red Seal trades that are published by sector councils, provincial labour market assessments, and employer associations. These assessments might track:
 - Business cycles in key industries and occupations.
 - Projected replacement demand relative to retirements.
 - Evidence of shortages that prompt entry of TFWs.
- » Demographic analysis of the population of journeyperson in Red Seal trades to confirm age profiles and gaps. Evidence suggesting gaps might exist is already apparent in industry research. These age gaps, if documented and filled with new Canadians, might anticipate critical changes on-the-job.
- » Assessing the capacity of apprenticeship programs and journeyperson training (both in-school and on-the-job) to support foreign-trained supervisors.
- » Monitoring of new data on the arrivals of TFWs in entry-level occupations and their potential interest in residency and apprenticeship.
- » Tracking the number of TFWs in the Red Seal and entry-level occupations that remain in Canada once their LMOs or work permits expire.
- » Suggestions from the labour workshop participants included improving Foreign Credential Recognition that would more clearly identify skills and qualifications that are equivalent to the Red Seal and a more rigorous application of the Red Seal Program in Canada.

Appendices

- A. An Overview of Apprenticeship and the Temporary Foreign Worker Program 43
- B. Red Seal Trades and Related Apprenticeship Occupations 50
 - Table 1: Red Seal Trades and Corresponding Certification Requirements
 - Table 2: Additional Trades Reviewed for the Study
- C. Interview, Focus Group, and Workshop Questions 55

A: An Overview of Apprenticeship and the Temporary Foreign Worker Program

Due to the complexities of apprenticeship and the TFWP it is important to have some background context on how these training options operate in order to understand some of the key terms and programs. In reference to the TFWP, any relevant aspects that affect skilled trades occupations or references to apprenticeship have been noted. This background information will help readers understand the research discussed in the document.

Apprenticeship in Canada

Skilled-trades workers are a highly trained and skilled component of the workforce. Apprenticeship training offers advanced technical skills through a combination of practical, on-the-job work experience and intensive technical instruction. Usually, apprenticeship is an agreement between an apprentice and an employer whereby the apprentice agrees to work for the employer in exchange for extensive, supervised, on-the-job experience. As well, the employer agrees to release the apprentice to attend technical training. The average duration of an apprenticeship is four years. After four years, the apprentice can usually sit for an examination in order to earn a provincial or territorial Certificate of Qualification.

In all jurisdictions outside of Quebec, the technical portion of apprenticeship, usually taken at a community college, a union-sponsored training centre, or an accredited private training facility, is taken in alternation with on-the-job training. In Quebec, all formal

technical training for apprentices is done at the secondary school level and must be completed before apprentices can begin the workplace on-the-job training.

The regulation of occupations is a provincial and territorial responsibility. However, these jurisdictions, along with the federal government, have long recognized the need for mobility of trades workers across Canada.

Red Seal Program

Since the mid-1950s, the Canadian Council of Directors of Apprenticeship (CCDA) has been responsible for the management of the Interprovincial Standards Red Seal Program, which is a joint provincial and territorial endorsement program designed to facilitate the inter-provincial and inter-territorial mobility of skilled workers through the harmonization of trade requirements and certification of tradespersons based on national occupational analyses and standards.

The Red Seal endorsement is affixed to a provincial or territorial Certificate of Qualification, signifying the attainment of inter-provincial standards for the training and certification of workers in the Red Seal designated trades. Fifty trades have been designated. The Interprovincial Standards Red Seal Program does not represent all trades, nor are all trades designated as apprenticeable in all provinces or territories. In fact, there are more than 300 apprenticeable occupations and trades in Canada.

The Red Seal endorsement is acquired by writing an approved Red Seal examination.

Candidates for examination must have acquired the prerequisite training and work experience for the trade specified before attempting the Red Seal examination. The program allows journeypersons with a Red Seal endorsement to practise their trade in any province or territory in Canada without having to write further examinations.

Temporary Foreign Worker Program (TFWP)

The federal and provincial/territorial governments admit foreigners into Canada through many different classifications and programs. The focus of this work was on the TFWP. Other programs include the Federal Skilled Worker Program which uses a point system based on education, English or French level, and skill set in determining whether a candidate becomes a permanent resident.²⁸

The TFWP was specifically established to assist employers in meeting their human resource needs. Under this program employers can recruit workers from any country in the world to temporarily meet labour shortages in any occupation for an employment position that they are unable to fill with Canadian citizens or permanent residents.²⁹

The regulations and requirements of the TFWP emphasize the short-term focus on labour market conditions created acute by shortages. However, some employers and governments have decided that retaining some of the skilled workers arriving as TFWs may have a long term advantage. This reflects:

» The desires of the arriving workers who want to stay.

- » The priorities of provincial³⁰ governments who are concerned about long-term labour shortages.
- » Advantages to employers who have invested heavily in recruiting and integrating the workers.

CIC uses the following definitions for various skill levels of TFWs as outlined by the National Occupation Classification system. These skill levels are mentioned throughout the document:

- » Skill Level A encompasses occupations that usually require a university degree.
- » Skill Level B encompasses jobs that usually require a college diploma or apprenticeship training.
- » Skill Level C encompasses occupations requiring secondary school or occupation-specific training.
- » Skill Level D encompasses occupations that require no formal educational requirements and involve on-the-job training.

Skill Type-o are management positions. Management occupations are not assigned to a skill-level category. Factors other than education and training are often more significant determinants for employment in management occupations. Management occupations span the skill types of the entire classification structure and are found in all areas of the labour market.

Facts about Foreign Workers in Canada

» CIC tracks, collects, and analyzes statistical data on foreign workers, including TFWs. Although this data is not specific to the TFWP or to TFWs in trades, it is still useful as background information. Based on its statistical data, CIC has observed the following trends and patterns about foreign workers:³¹

- » In 2006, there were 171,844 TFWs living in Canada, which represents a 122 per cent increase over 10 years.³² TFWs entering Canada on the basis of a labour market opinion represent about 50 per cent of this number. The remaining foreign workers enter using exemptions under the North American Free Trade Agreement or the General Agreement on Trade in Services, on student visas, or as spouses.³³
- » On December 1, 2005, there were some 151,720 foreign workers with a valid work permit in Canada.³⁴
- » The United States and Mexico have been the top two source countries for TFWs in the past ten years.³⁵ The vast majority of foreign workers coming from Mexico enter under the Seasonal Agricultural Worker Program.³⁶ This program allows for the entry of agricultural workers from Mexico and the Caribbean to assist in the planting and harvesting of Canadian crops.³⁷
- » Traditionally, Ontario has been the main destination for many of these workers, although an increasing number are going to Alberta and British Columbia.³⁸

» CIC has collected data based on occupations classified by education and training characteristics over the last ten years.³⁹ Skill Level B and Skill Level C are of interest. Skill Level B encompasses jobs that usually require a college diploma or apprenticeship training.⁴⁰ The trend for occupations classified in Skill Level B has been fairly consistent over the ten-year period, with workers classified in Skill Level B at slightly less than 20 per cent of the total annual flow of new foreign workers entering in a year at any time during the year.⁴¹ Skill Level C encompasses occupations requiring secondary school or occupation-specific training.⁴² The share of workers at this level has risen in recent years and now accounts for 45 per cent of all workers identified with a skill level.⁴³ This increase is attributable, in part, to a greater number of workers coming to Canada under the already mentioned Seasonal Agricultural Worker Program and the Live-in Caregiver Program, which hires workers to care for children, seniors, or people with disabilities.⁴⁴

» CIC has found that when the numbers of foreign workers present at a specific time of year are analyzed, there has been an increase in the number of foreign workers over the past ten years. New arrivals each year do not completely account for the increases. According to CIC, this trend implies that workers are renewing their work permits and remaining in the inventory of the foreign worker program.⁴⁵

Administration of the TFWP

The TFWP is designed and administered by

CIC and HRSDC. The Canada Border Services Agency is also involved.⁴⁶

Role of CIC

CIC's role is to assess whether TFWs are admissible or inadmissible to enter or stay in Canada. CIC issues the documents required for admissible TFWs to enter or remain in Canada.⁴⁷

Role of HRSDC

HRSDC is required under section 203 of the Immigration and Refugee Protection Regulations (IRPR) to provide an opinion on the likely impact hiring a temporary foreign worker will have on the Canadian labour market. This is called a "Labour Market Opinion" (LMO).⁴⁸ Some employers can fill in and submit their applications for an LMO online.⁴⁹

When formulating an LMO, factors such as the wages and working conditions offered to the temporary foreign worker are to be assessed. HRSDC is mandated under the IRPR to confirm requests for foreign workers only when the wage rate being offered is consistent with the prevailing wage rate for the occupation in the region where the temporary foreign worker will be employed.⁵⁰ HRSDC reviews various labour market information to determine if the wage rate being offered is acceptable. The administrators of the TFWP stated that the following sources are considered: "The prevailing wage rate for a particular occupation is based on the geographical locale and the most current wage data available. Wage data are collected from a variety of sources including, but not exclusive

to: Labour Force Survey, Census Data, Job Bank, industry associations, non-union sectors, collective agreements, Employment Insurance claimant data, direct employer contact, newspapers, and surveys by occupational and industry associations. Job characteristics such as duties, certification, and experience are also taken into consideration.”⁵¹

- » In addition, labour market benefits are considered.
- » Employers’ advertising and recruitment efforts to hire Canadians and permanent residents are assessed.
- » Whether the employment of the foreign national is likely to adversely affect the settlement of any labour dispute in progress or the employment of any person involved in the dispute is another factor considered.
- » Information is requested on the application form whether the position the temporary foreign worker will fill is part of a bargaining unit, but this is not one of the required factors to examine as outlined in the IRPR.⁵²
- » If the LMO is positive, TFWs can then proceed to apply for a work permit.⁵³
- » A positive LMO does not necessarily guarantee that a work permit will be issued to the TFWs.
- » Changes announced by CIC and HRSDC in February 2007 have modified this process. Now, applications for an LMO in skill

categories O, A and B are processed by HRSDC at the same time as applications for work permits are processed by CIC.⁵⁴

Role of the Canada Border Services Agency

The Canada Border Services Agency’s role in the program is to admit or refuse TFWs seeking entry to Canada at airports and border crossing points in Canada.⁵⁵

Prior to the recent economic downturn when employer demand for TFWs was high, CIC and HRSDC made a series of administrative changes to improve the process for hiring TFWs in various occupations, including skilled trades. Some examples have been included below.

Expedited Labour Market Opinion Pilot Project

As a part of the TFWP there have been specific pilot projects that have included skilled-trades jobs. One such example is the Expedited Labour Market Opinion Pilot Project, which focused on B.C. and Alberta.

The pilot began in September 2007 with the purpose of streamlining the Labour Market Opinion process to enable HRSDC to make decisions more efficiently, thereby speeding the process for employers. Under the pilot project, eligible employers applying for a labour market opinion receive a decision within three to five days as opposed to five months.⁵⁶

To be eligible to participate in the pilot project, employers are required to attest in writing that:

- » They have made reasonable efforts to hire or

train Canadian citizens or permanent residents.

- » There is not a labour dispute in progress at the employer's workplace.
- » The working conditions, including the wages to be paid, meet the minimum acceptable working conditions for the occupation.

As of March 9, 2009, employers must submit more details regarding recruitment efforts for the expedited labour market opinion.

If the employer was determined to be eligible, their requests were expedited.

This pilot project initially involved twelve occupations that were identified as being in high demand and included the construction, tourism, and hospitality sectors:

- Carpenters
- Crane Operators
- Hotel and Hospitality Room Attendants
- Hotel Front Desk Clerks
- Food and Beverage Servers
- Food Counter Attendants
- Tour and Travel Guides
- Registered Nurses
- Dental Technicians
- Pharmacists
- Snowboard and Ski Instructors
- Retail Sales Persons and Sales Clerks

The occupations for the pilot project were identified as being in high-demand sectors where there is a high degree of confidence in the labour market information for the sector. The labour market information indicates that

the hiring of TFWs will not have a negative impact on the Canadian labour market.

Eventually, the number of qualifying occupations in the pilot was expanded to thirty-three.

Ten Red Seal trades were represented among the thirty-three qualifying occupations.⁵⁷

Provincial Role in the TFWP

Provinces and territories also play a very important role. The establishment of labour standards, consumer protection, regulation of professions, workers' compensation, as well as resolution of related conflicts through labour boards and civil courts generally fall under their jurisdiction.

Regional Lists of Occupations under Pressure

Regional lists of occupations under pressure were created by HRSDC and its provincial partners, which reduce the advertising requirements for high-demand occupations. For occupations on these lists, employers were required to advertise for seven days. Alternatively, they were required to demonstrate they had on-going recruitment mechanisms in place such as using recognized internet job sites, unions, and newspapers. For occupations at Skill Level C or D on the list, employers were required to satisfy both conditions. Lists were developed for several provinces, including Alberta, British Columbia, and Ontario.⁵⁸

Approximately thirty of the Red Seal trades were included among the occupations. Effective January 1, 2009, requirements for

the occupations-under-pressure list were replaced by new advertising requirements. Employers once again are required to recruit for two weeks as opposed to seven days.

Provinces and territories are important partners in the management of the TFWP and are solidifying that role through temporary foreign worker annexes to federal-provincial immigration agreements. Provinces that have signed temporary foreign worker annexes are Ontario and Alberta.⁵⁹

The temporary foreign worker annexes provide provinces and territories with a greater role in managing the entry of temporary residents into the jurisdiction to help it meet economic and labour market needs, including the ability to remove the requirement for an LMO from HRSDC in certain circumstances. The temporary foreign worker annexes also outline regional-specific initiatives to strengthen responsiveness to employer and labour market needs in the province, and include commitments from the provincial and federal governments to improve the protection of foreign workers and monitoring of the program to ensure employers and workers are aware of their rights and responsibilities.

Appendix B – Table 1: Red Seal Trades and Corresponding Certification Requirements

Red Seal Trade	Provincial Trade Certification	
	Compulsory	Voluntary
Truck and Transport Mechanic	NS, ON, AB	NL, PE, NB, MB, SK, BC, YT
Powerline Technician	PE	NL, NS, NB, ON, SK, AB, BC, NT, YT, NU
Glazier	QC	NL, NS, PE, NB, ON, MB, SK, AB, BC, NT, YT, NU
Heavy-Duty Equipment Technician	QC, AB	NL, NS, PE, NB, ON, MB, SK, BC, NT, YT, NU
Agricultural Equipment Technician		NL, NS, PE, NB, ON, MB, SK, AB, BC
Ironworker (Reinforcing)	QC, AB	NL, PE, ON, SK, BC
Ironworker (Structural/Ornamental)	QC, AB	NL, NS, PE, ON, SK, BC
Ironworker (Generalist)	AB	NL, NS, PE, NB, ON, MB, BC
Painter and Decorator	QC	NL, NS, PE, NB, ON, MB, SK, AB, BC, NT, YT, NU
Plumber	NS, PE, NB, QC, ON, SK, AB	NL, MB, BC, NT, YT, NU
Refrigeration and Air Conditioning Mechanic	NS, NB, QC, ON, MB, SK, AB	NL, PE, BC, NT, YT, NU
Partsperson/Storekeepers and Parts Clerks		NL, NS, PE, NB, ON, MB, AB, SK, BC, NT, YT, NU
Automotive Service Technician	NS, PE, NB, ON, AB	NL, MB, SK, BC, NT, YT, NU
Transport Trailer Technician	ON	NL, NS, PE, NB, MB, BC, YT

Source: *The Interprovincial Standards Red Seal Program*

Appendix B – Table 1: Red Seal Trades and Corresponding Certification Requirements

Red Seal Trade	Provincial Trade Certification	
	<i>Compulsory</i>	<i>Voluntary</i>
Baker		NL, NS, PE, NB, QC, ON, AB, BC, NT, YT, NU
Boilermaker	QB, AB	NL, NS, PE, NB, ON, MB, SK, BC
Bricklayer	NS, NB, QC	NL, PE, ON, MB, SK, AB, BC, YT
Cabinetmaker		NL, NS, PE, NB, QC, ON, MB, SK, AB, BC, NT, YT, NU
Carpenter	QC	NL, NS, PE, NB, ON, MB, SK, AB, BC, NT, YT, NU
Concrete Finisher	QC	NL, NS, PE, NB, MB, AB, BC
Industrial Mechanic (Millwright)	QC	NL, NS, PE, NB, ON, MB, SK, AB, BC, NT, YT, NU
Construction Craft Worker		NL, NS, PE, ON, SK, AB
Cook		NL, NS, PE, NB, QC, ON, MB, SK, AB, BC, NT, YT, NU
Mobile Crane Operator	NS, QC, ON, MB, AB	NL, PE, NB, SK, BC, NT
Appliance Service Technician	AB	NL, NS, PE, NB, ON, BC, NT, NU
Electric Motor System Technician		NL, NS, PE, NB, ON, MB, AB, BC, NT, YT, NU
Construction Electrician	NL, NS, PE, NB, QC, ON, MB, SK, AB, YT	BC, NT, NU
Electronics Technician – Consumer Products		NL, NS, PE, NB, ON, BC, YT
Floorcovering Installer	QC	NL, NS, PE, NB, ON, MB, AB, BC, NT, YT, NU
Hairstylist	NS, ON, MB, SK, AB, BC	QC, NL, PE, NB, NT, YT, NU

Source: *The Interprovincial Standards Red Seal Program*

Appendix B – Table 1: Red Seal Trades and Corresponding Certification Requirements (cont.)

Red Seal Trade	Provincial Trade Certification	
	Compulsory	Voluntary
Industrial Electrician	PE, QC, YT, MB	NL, NS, NB, ON, BC
Instrumentation and Control Technician		NL, NS, PE, NB, ON, MB, SK, AB, BC, NT, YT, NU
Insulator (Heat and Frost)	QC	NL, NS, PE, NB, MB, SK, AB, BC, NT, YT, NU
Landscape Horticulturist (in development at the time of research; designated in 2008)	Not available	Not available
Machinist		NL, NS, PE, NB, QC, ON, MB, SK, AB, BC, NT, YT, NU
Automotive Painter	AB	NL, NS, PE, NB, ON, MB, SK, BC, NT, YT,
Motor Vehicle Body Repairer (Metal and Paint)	ON, AB	NL, NS, PE, NB, MB, SK, BC, NT, YT, NU
Motorcycle Mechanic	ON, AB	NL, NS, PE, NB, BC
Rig Technician	AB	NL, NS, PE, SK, BC, NT
Oil Heat System Technician	NS, NB	NL, PE, BC, NT, YT, NU
Recreation Vehicle Service Technician	AB	NL, NS, PE, NB, QC, ON, BC, YT
Lather (Interior Systems Mechanic)	QC	NL, NS, PE, NB, ON, MB, SK, AB, BC, YT
Roofer	QC	NL, NS, PE, NB, ON, MB, SK, AB, BC, NT, YT, NU
Sheet Metal Worker	QC, ON, SK, AB	NL, NS, PE, NB, MB, BC, NT, YT, NU

Source: *The Interprovincial Standards Red Seal Program*

Appendix B – Table 1: Red Seal Trades and Corresponding Certification Requirements (cont.)

Red Seal Trade	Provincial Trade Certification	
	<i>Compulsory</i>	<i>Voluntary</i>
Sprinkler System Installer	NS, NB, QC, MB	NL, PE, ON, SK, AB, BC, NT, YT, NU
Steamfitter — Pipefitter	NL, NS, NB, SK, BC, NT, YT, NU	PE, QC, ON, MB, AB
Metal Fabricator (Fitter)		NL, NS, PE, NB, QC, ON, MB, SK, AB, BC
Tilesetter		NL, NS, PE, ON, SK, AB, BC
Tool and Die Maker	QC	NL, NS, PE, NB, QC, ON, MB, AB, BC
Welder	AB	NL, NS, PE, NB, QC, ON, MB, SK, BC, NT, YT, NU

Source: *The Interprovincial Standards Red Seal Program*

Appendix B – Table 2: Additional Trades Reviewed for the Study

Skill Level	Occupational Title	NOC Code
0: Management Occupations	Construction Managers	0711
	Residential Home Builders and Renovators	0712
	Electricians Trades & Telecommunication	0724
	Contract and Superv, Electric Trades and Telecommunication	0725
Skill Level B: Occupations usually require college education or apprenticeship training	Construction Estimators	2234
	Industrial Instrument Technicians and Mechanics	2243
	Chefs	6241
	Contractors and Supervisors, Electrical Trades and Telecommunications Occupations	7212
	Contractors and Supervisors, Pipefitting Trades	7213
	Contractors and Supervisors, Metal Forming, Shaping and Erecting Occupations	7214
	Contractors and Supervisors, Carpentry Trades	7215
	Contractors and Supervisors, Mechanic Trades	7216
	Contractors and Supervisors, Heavy Construction Equipment Crews	7217
	Contractors and Supervisors, Other Construction Trades, Installers, Repairers and Servicers	7219
	Machinists and Machining and Tooling Inspectors	7231
	Power System Electricians	7243
	Gas Fitters	7253
	Aircraft Mechanics and Aircraft Inspectors	7315
	Machine Fitters	7316
	Elevator Constructors and Mechanics	7318
	Electrical Mechanics	7333
Upholsterers	7341	
Drillers and Blasters	7372	
Agricultural and Related Service Contractors and Managers	8252	
Skill Level C : Occupations usually require secondary school and/or occupation-specific training	Food and Beverage Servers	6453
	Truck Drivers	7411
	Heavy Equipment Operators (Except Crane)	7421
	Residential and Commercial Installers and Servicers	7441
	Automotive Mechanical Installers and Servicers	7443
	Other Repairers And Servicers	7445
	Concrete, Clay and Stone Forming Operators	9414
	Aircraft Assemblers and Aircraft Assembly Inspectors	9481
	Motor Vehicle Assemblers, Inspectors and Testers	9482
	Painters and Coaters, Manufacturing	9496
	Machining Tool Operators	9511
Skill Level D: On-the-job training is usually provided for occupations	Food Counter Attendants, Kitchen Helpers and Related Occupations	6641
	Material Handlers	7452
	Construction Trades Helpers and Labourers	7611
	Other Trades Helpers and Labourers	7612
	Landscaping and Grounds Maintenance Labourers	8612
	Labourers in Mineral and Metal Processing	9611
	Labourers in Metal Fabrication	9612
	Labourers in Wood, Pulp and Paper Processing	9614
Labourers in Rubber and Plastic Products Manufacturing	9615	

Source: Human Resources and Skills Development Canada

C: Interview, Focus Group, and Workshop Questions

Provincial⁶⁰ Apprenticeship

Interview Questions

1. What role do officials in the apprenticeship program and on apprenticeship advisory committees have in the assessment of labour markets and creating related policies? Do they have a role in assessing the need for training in specific occupations?
2. What role do officials in the apprenticeship program and on advisory committees have in determining the need for TFWs in apprenticeable occupations?
3. What involvement do provincial administrators of apprenticeship have in the application process or the process of skills assessment for TFWs in apprenticeable occupations?
- 4A. How does the increased administration related to TFWs impact apprenticeship-related resource programs and staff time in your jurisdiction?
- 4B. Are there cases where the TFW has to be re-classified as an apprentice?
- 4C. Do the staff at apprenticeship branches visit employers and check the role of journeypersons (temporary foreign workers) on-the-job?
- 4D. Is the apprenticeship staff requested to travel to foreign countries to access the skills of potential workers?
5. Are there examples of temporary foreign workers, acting as journeypersons, who are successfully teaching Canadian apprentices?
6. What are the additional benefits of having TFWs on a worksite?
7. What are the potential problems associated with having TFWs on a work site?
8. Do you think that TFWs in apprenticeable occupations are in competition with Canadian apprentices?
9. Can the structure of the Temporary Foreign Worker Program assist in the development of a strong training culture in the short term? How about in the long term?
10. Are there any other possible impacts on apprenticeship that can be identified, not mentioned previously?
11. How might your answers to these questions differ for compulsory versus voluntary trades?
12. How might your answers to these questions differ depending on the industry (example, construction versus travel and tourism)?
13. How might changing economic conditions change the impact of TFWs on apprenticeship? *What was the situation like 12 months ago, in comparison to today?*
14. Are there any employers, training institutions, or other contacts that are well-

informed of these matters that should be interviewed for this research?

Federal and Provincial Immigration

Interview Questions

1. What role do federal and provincial immigration officials have in the assessment of labour markets and creating related policies? Do they have a role in assessing the need for training in specific occupations?
2. What role do federal and provincial immigration officials have in determining the need for TFWs in apprenticeable occupations?
3. What involvement do federal and provincial immigration officials have in the application process or the process of skills assessment for TFWs in apprenticeable occupations?
4. Why do you think employers hire temporary foreign workers?
5. How do Memorandums of Understanding and specialty lists like the Occupations Under Pressure list facilitate the entrance of TFWs into apprenticeable occupations?
6. What are the benefits of having TFWs on a worksite?
7. What are the potential problems associated with having TFWs on a work site?
8. Do you think that TFWs in apprenticeable occupations are in competition with Canadian apprentices?
9. Can the structure of the Temporary Foreign Worker Program assist in the development of a strong training culture in the short term? How about in the long term?
10. Are there any other possible impacts on apprenticeship that can be identified, not mentioned previously?
11. How might your answers to these questions differ for compulsory versus voluntary trades?
12. How might your answers to these questions differ depending on the industry (example, construction versus travel and tourism)?
13. How might changing economic conditions change the impact of TFWs on apprenticeship? *What was the situation like 12 months ago, in comparison to today?*
14. Are there any employers, training institutions, or other contacts that are well informed of these matters that should be interviewed for this research?

Management – Focus Group

The CAF is seeking to understand the relationship between TFWs and apprenticeship. You have been asked to participate because of your experience in these two areas. More specifically, we want to discuss your experience planning and managing your workforce from each of these perspectives. We are interested in your experience with the trades and occupations that qualify for apprenticeship programs and

certification under your Provincial system.

The discussion will cover:

- Background
- Labour market conditions (requirements and the available workforce)
- Recruiting challenges
- Workplace experience
- Human resource strategies
- Other

Background

Going around the table please describe your firm and workplace in terms of:

- Your industry
- Number of employees
- Number of employees in the trades covered by apprenticeship and certification
- Number of temporary foreign workers
- Number of apprentices

Labour Market Conditions

» What are the main reasons for hiring TFWs?

» What are the main reasons for registering workers as apprentices?

Recruiting Challenges

» What are the major challenges that you have faced recruiting in the trades?

» What are the challenges related to recruiting TFWs?

» What are the benefits related to recruiting TFWs in comparison to other forms of employees?

» Please describe your experience recruiting TFWs.

Workplace Experience

» Please describe your experience with TFWs on-the-job. Contrast your experience with equivalent Canadian workers.

» Describe your firm's practices and experience with apprenticeship and certification.

» Do you have an apprenticeship program in place? If you do not have an apprenticeship program in place, what were the reasons for not establishing one?

» Are there any issues with your apprenticeship program that are related to your plans to hire temporary foreign workers? Alternatively, are you just trying to employ a variety of different strategies to get the projects done?

Human Resources Strategy

» Does your firm see certification, apprenticeship, and TFWs as alternative or complementary HR strategies?

» If your TFWs are not certified how does this affect the number of apprentices you might otherwise train?

» Is your firm concerned about the age profile and potential retirements among trades?

» Does your firm consider TFWs as candidates for Provincial Nominee Programs or Permanent Residency after the term has expired?

Other

- » Are there other issues or impacts that connect apprenticeship and TFWs that we have not discussed?

Labour – Workshop

The CAF is seeking to understand the relationship between TFWs and apprenticeship. You have been asked to participate in this focus group because of your experience in these two areas. More specifically we want to discuss your understanding of the on-the-job relationship between TFWs and apprentices. The discussion will cover:

- Background
- Labour market conditions (requirements and the available workforce)
- Recruiting challenges
- Workplace experience
- Human resource strategies
- Other

Background

We want to begin by getting a general impression of how frequently and how intensively your members work with temporary foreign workers. Going around the table please describe your members' and employers' workplace in terms of:

- » Number of employer organizations employing TFWs in apprenticeable occupations.
- » If you have several employers with TFW in apprenticeable occupations:
- » Average number of your members (include

journeypersons, apprentices, and other members on worksites)

- » Number of TFWs on worksites
- » Number of apprentices
- » Was your union involved in recruiting the temporary foreign workers?

Labour market conditions

- » What are the main reasons provided by employers for hiring temporary foreign workers?
- » What are the main reasons that your employers give for registering workers as apprentices?

Recruiting Challenges

- » What are the major challenges that you and/or your employers have faced recruiting in the trades?
- » What are the challenges for you and/or your employers related to recruiting TFWs?
- » Please describe your union's and your employer's experience recruiting TFWs.

Workplace Experience

- » Please describe your members' and employers' experiences with TFWs on-the-job.
- » Describe your members' and employers' practices and experience with apprenticeship and certification.

Human Resources Strategy

- » Do your union, members, and owners see certification, apprenticeship, and TFWs as alternative or complementary HR strategies?

- » Are you and your employers concerned about the age profile and potential retirements among your members?

- » Do you think that your employers or other firms consider TFWs as candidates for Provincial Nominee Programs or Permanent Residency after the term has expired?

Other

- » Are there other issues or impacts that connect apprenticeship and TFWs that we have not discussed?

Notes

- 1 “Foreign Worker Overview,” *The Monitor*, First and Second Quarter 2006, <http://www.collectionscanada.gc.ca/webarchives/20071124200404/http://www.ci.gc.ca/english/resources/statistics/monitor/issue14/05-overview.asp>, 5.
- 2 Officials from the territories were not interviewed due to minimal experience with TFWs.
- 3 Ibid.
- 4 It is acknowledged that the economic conditions in 2007 have changed since the global economic crisis and the use of TFWs may not be as high as it was in 2007 to 2008 during the tighter labour market. The information in this document, however, will still be useful as context once the economy recovers and skills shortages again start to become an issue for certain employers.
- 5 This finding was obtained as a part of the following study: CAF-FCA, “It Pays to Hire an Apprentice: Calculating the Return on Training Investment for Skilled Trades Employers in Canada, A Study of 16 Trades, Phase II,” June 2009.
- 6 “Foreign Worker Program,” HRSDC website, http://www.hrsdc.gc.ca/en/workplaceskills/foreign_workers/index.shtml.
- 7 Ibid., 10.
- 8 “Temporary Foreign Worker Program Improved for Employers in BC and Alberta,” September 25, 2007, HRSDC website.
- 9 The Red Seal is a nationally recognized endorsement to provincial and territorial Certificates of Qualification given to journeypersons. There are fifty trades recognized with the Red Seal designation across Canada.
- 10 This is equivalent to the process of challenging Certificate of Qualification exams that are available to Canadians who have not taken the apprenticeship training programs but have work experience and are able to demonstrate their skill and knowledge in the trade.
- 11 Naomi Alboim discusses Canada’s immigration policies and comments on the potential consequences of the use of the TFWP as it has increased and has become a two-step process for obtaining permanent residency. For a detailed description of the report see Alboim, N., *Adjusting the Balance: Fixing Canada’s Economic Immigration Policies*. Maytree, 2009. In Alberta in 2003, skilled occupations made up 50 per cent of all foreign workers versus lower-skilled, which comprised slightly more than 25 per cent. However, by 2007, lower-skilled workers increased to 40 to 60 per cent, whereas higher-skilled workers dropped to 40 per cent. For further details please see: *Alberta Federation of Labour. Entrenching Exploitation*. April 2009. Available online at <http://www.afl.org/upload/TFWReport2009.pdf>.
- 12 Note that for Prince Edward Island, the proportion of TFWs entering the province was too small for an analysis. Further, for Quebec, RAIS data was limited and consequently did not allow for analysis.
- 13 It is unclear whether any territorial committees have been established so only provincial committees are referred to.
- 14 See “National Summary: An Assessment of Construction Labour Markets from 2008 to 2016,” 13. Construction Sector Council.
- 15 Ibid., 1.

- 16 See “The Road Ahead: Human Resource and Training Challenges in the Motive Power Repair, and Service Sector”, 4.
- 17 See “The Future of Canada’s Tourism Industry; Labour shortages to Re emerge as Economy Recovers,” Table 6, 13.
- 18 Only provincial ministries are referred to here because no territorial officials were interviewed. Territorial officials only had minimal experience with TFWs and did not participate in the interviews.
- 19 The Registered Apprenticeship Information System (RAIS) data reported here tracks data collected from all provinces/territories and reconciles accounting differences. Completions measured in the RAIS system do not include “trade qualifiers” who can challenge the provincial or territorial exams and gain qualification outside of the apprenticeship training system. Not all completing apprentices receive Red Seals. Many TFWs would qualify using the trade qualifier process.
- 20 Not all employers provided information on number of employees and/or apprentices, so the actual total number of employees and apprentices may be greater than reported.
- 21 This included three interviews with labour leaders and two workshops – first in Edmonton on August 17 with Building Trades of Alberta, then on August 18 with a national group of labour leaders at the Ontario Building and Construction Trades Council in Toronto.
- 22 The extent of the interest and research of these groups was apparent in their recent publications and submissions. In particular, the British Columbia and Yukon Territory Building and Construction Trades Council prepared a submission. . Other related research is available in the reports of the Alberta Federation of Labour.
- 23 See page 1 of the British Columbia and Yukon Territory Building and Construction Trades Council submission.
- 24 BC Building Trades Worker Dispatch Survey June 2008, Bricklayers/Tilesetters Local 2.
- 25 See page 8 of the British Columbia and Yukon Territory Building and Construction Trades Council submission.
- 26 See page 49 of the British Columbia and Yukon Territory Building and Construction Trades Council submission.
- 27 See page 9 of the British Columbia and Yukon Territory Building and Construction Trades Council submission.
- 28 For more details go to the Citizenship and Immigration Canada website:
<http://www.cic.gc.ca>
- 29 “Foreign Worker Program,” HRSDC website,
http://www.hrsdc.gc.ca/en/workplaceskills/foreign_workers/index.shtml.
- 30 Territorial governments were not interviewed.
- 31 These statistics deal with foreign workers collected over a ten-year period. These statistics include those workers participating in the TFWP, but are not limited to just those workers. They also include foreign workers who are exempt from having to obtain a labour market opinion. The statistics do not include permanent residents, foreign students, and new citizens. For these groups, CIC collects separate data. See “Foreign Worker

- Overview,” *The Monitor*, First and Second Quarter 2006,
<http://www.collectionscanada.gc.ca/webarchives/20071124200404/http://www.ci.gc.ca/english/resources/statistics/monitor/issue14/05-overview.asp>. 1-14.
- 32 “Temporary Foreign Worker Program Improved for Employers in BC and Alberta,” September 25, 2007, HRSDC website.
- 33 Ibid.
- 34 “Foreign Worker Overview,” *The Monitor*, First and Second Quarter 2006,
<http://www.collectionscanada.gc.ca/webarchives/20071124200404/http://www.ci.gc.ca/english/resources/statistics/monitor/issue14/05-overview.asp>, 1.
- 35 Ibid., 4.
- 36 Ibid.
- 37 Ibid., 11.
- 38 Ibid., 5.
- 39 Workers with unknown skill levels were not included in these statistics. It is estimated that the majority of workers with unknown skill levels are either individuals who come to Canada to work under reciprocal youth exchange programs or spouses of skilled temporary workers. See “Foreign Worker Overview,” *The Monitor*, First and Second Quarter 2006,
<http://www.collectionscanada.gc.ca/webarchives/20071124200404/http://www.ci.gc.ca/english/resources/statistics/monitor/issue14/05-overview.asp>, 7-9.
- 40 More specifically, the education and training requirements for Skill Level B can include two to three years of post-secondary education at a community college, institute of technology, or CEGEP; or two to five years of apprenticeship training, three to four years of secondary school, and more than two years of on-the-job training, specialized training, or specific work experience. See National Occupational Classification, NOC Training Tutorial, Exploring the NOC, Skill Level, HRSDC website,
<http://www.collectionscanada.gc.ca/webarchives/20071120044952/http://www23.hrdc-drhc.gc.ca/2001/e/tutorial/sktype.shtml>, 4.
- 41 “Foreign Worker Overview,” *The Monitor*, First and Second Quarter 2006,
<http://www.collectionscanada.gc.ca/webarchives/20071124200404/http://www.ci.gc.ca/english/resources/statistics/monitor/issue14/05-overview.asp>, 8.
- 42 More specifically, the education and training requirements at Skill Level C can include one to four years of secondary school or up to two years of on-the-job training, specialized training courses or specific work experience. See National Occupational Classification, NOC Training Tutorial, Exploring the NOC, Skill Level, HRSDC website,
<http://www.collectionscanada.gc.ca/webarchives/20071120044952/http://www23.hrdc-drhc.gc.ca/2001/e/tutorial/sktype.shtml>, 4.
- 43 “Foreign Worker Overview,” *The Monitor*, First and Second Quarter 2006,
<http://www.collectionscanada.gc.ca/webarchives/20071124200404/http://www.ci.gc.ca/english/resources/statistics/monitor/issue14/05-overview.asp>, 8, 12.
- 44 Ibid.
- 45 Ibid., 9.

- 46 “Foreign Worker Program,” HRSDC website,
http://www.hrsdc.gc.ca/en/workplaceskills/foreign_workers/index.shtml.
- 47 Ibid. For the regulations governing these processes see the CIC FWI Foreign Worker Manual, Updated March 6, 2007, CIC website,
<http://www.collectionscanada.gc.ca/webarchives/20071115092752/http://www.ci.gc.ca/english/resources/manuals/fw/fwo1e.pdf>.
- 48 Agreements such as the North America Free Trade Agreement and Labour Co-operation Agreements among Canada and various countries including Chile, Costa Rica, Central America, Brazil, and Singapore exempt certain foreign workers from the LMO process. For the regulations governing foreign workers who are exempt from the LMO process see the CIC FWI Foreign Worker Manual, Updated March 6, 2007, CIC website,
<http://www.collectionscanada.gc.ca/webarchives/20071115092752/http://www.ci.gc.ca/english/resources/manuals/fw/fwo1e.pdf>.
- 49 Some Labour Market Opinions can be filled in and submitted online if it is a standard application that relates to any specific stream, such as the Live-In Caregiver Program or Seasonal Agricultural Worker Program. The opinion submitted online cannot be a request for a renewal. Information obtained from the administrators of the TFWP at HRSDC.
- 50 See IRPR regulations, Division 3, Issuance of Work Permits, Factors, Department of Justice website,
http://laws.justice.gc.ca/en/showdoc/cr/SOR-2002-227/bo-ga:l_11/en#anchorbo-ga:l_11.
- 51 Information obtained from administrators of the TFWP at HRSDC.
- 52 See IRPR regulations, section entitled Division 3, Issuance of Work Permits, Factors, Department of Justice website,
http://laws.justice.gc.ca/en/showdoc/cr/SOR-2002-227/bo-ga:l_11/en#anchorbo-ga:l_11. See also CIC FWI Foreign Worker Manual, Updated March 6, 2007, CIC website, <http://www.cic.gc.ca/manuals-guides/english/fw/fwo1e.pdf>, 20-21.
- 53 There are some additional procedures for employers in Quebec. They must obtain a Quebec Acceptance Certificate. There are also specific processes for employers in certain industries. See “Hiring TFWs in Canada,” HRSDC website,
http://www.hrsdc.gc.ca/en/workplaceskills/foreign_workers/temp_workers.shtml.
- 54 “Announcing Changes to Temporary Foreign Worker Program to Make it Easier for Employers to Meet their Labour Market Needs,” Speaking Notes for Monte Solberg, Minister of HRSDC, dated February 23, 2007, HRSDC website,
<http://www.hrsdc.gc.ca/en/corporate/newsroom/speeches/solbergm/070223.shtml>, 2; and information obtained from the administrators of the TFWP at HRSDC.
- 55 See “About Us – What we do,” Canada Border Services Agency website,
<http://www.cbsa-asfc.gc.ca/agency-agence/what-quoi-eng.html>. For regulations regarding entry and removal see IRPR regulations, Part 11, 13, 14, Department of Justice website,
http://laws.justice.gc.ca/en/showdoc/cr/SOR-2002-227/bo-ga:l_11::bo-ga:l_12.
- 56 “Temporary Foreign Worker Program

Improved for Employers in BC and Alberta,” September 25, 2007, HRSDC website.

57 Effective January 1, 2009, requirements for the Occupations Under Pressure list changed in that employers are once again required to recruit for two weeks as opposed to seven days. Further, effective March 9 2009, employers needed to submit more details regarding recruitment efforts for the Expedited Labour Market Opinion Pilot Project.

58 The British Columbia, Alberta, and Ontario lists of Regional Occupations under Pressure can be obtained on the HRSDC website see the HRSDC website, http://www.collectionscanada.gc.ca/webarchives/20071122075150/http://www.hrsdc.gc.ca/en/workplaceskills/foreign_workers/ocunderpres.shtml.

59 Available at http://www.cic.gc.ca/english/department/laws-policy/agreements/ontario/can-ont-amend_agree.asp.

60 Only provincial ministries are referred to here because no territorial officials were interviewed. Territorial officials only had minimal experience with TFWs and did not participate in the interviews.

A note about online sources:

At the time of publication, the Government of Canada was making changes to its website that affected the accessibility of archived web pages. While researchers updated the URLs from those used in the research phase, future changes may render them inaccessible. Readers are thus encouraged to consult material manually by using the Library and Archives Canada’s web archive: www.collectionscanada.gc.ca/webarchives.